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ABSTRACT

This report presents the findings of a project whose purpose was to conduct a complete survey of the various states to determine the existence and content of state mandates and competency statements as they relate to economic literacy, and more specifically, how "Our Economy: How It Works," meets these mandates and competency statements. "Our Economy: How It Works," authored by Elmer U. Clawson and published by Addison-Wesley Publishing Company, is described as an innovative junior high school level economics text. The book uses case studies to introduce economic concepts in a style that can easily be understood by students. It was the belief that data on state mandates and competencies would have utility for further dissemination and revisions of "Our Economy," and also would be of interest to all those concerned with improving economic literacy in the nation's schools. The data collection procedure involved surveying the 50 state departments of education to determine the existence of a mandate and/or competency statements for economic literacy. The report is presented in five parts: (1) The National Status of State Mandates and Competencies for Economic Instruction; (2) Content Analysis of Legislative Mandates; (3) Content Analysis of State Frameworks, Courses of Study, and Competency Statements; (4) Individual State Reports; and (5) A Summary of Findings. Among the findings of the report are: 24 states have a mandate requiring economics instruction of some kind; an analysis of 13 state frameworks, courses of study and competency statements produced a list of 31 economic concepts most frequently presented; "Our Economy: How It Works" adequately covered 30 of the 31 economic concepts presented. (DB)

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A Study of State Mandates and Competencies for Economics Instruction and Their Correlation to *Our Economy: How It Works*

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Ronald A. Banaszak
Project Co-Directors

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Many others in state departments of education and state councils for economic education helped by completing questionnaires and participating in telephone interviews. It is needless to say that without their cooperation, it would have been impossible to collect the data reported here.

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Geographic distribution of states mandating economic instruction **11**

WHY THE STUDY WAS UNDERTAKEN

In recent years there has been a general increase in interest about and enthusiasm for economics education. Many different activities reflect this interest. The number of students receiving economics instruction in today's elementary and secondary schools is on the increase. Numerous teacher training courses and workshops are offered to assist teachers to more effectively deal with economics content. The existence of a national organization devoted to economics education, the Joint Council on Economics Education, its 49 state affiliated councils and over 200 local centers, is further evidence of interest.

Another important expression of interest is the passage of state mandates requiring economics instruction. Since state mandates have the power of law, they could be a powerful force influencing the economics education movement. In addition, some states have competency requirements which include economics content. These competency statements also influence economics education. Yet, little formal research has been done to analyze the content of state mandates and competency statements.

There is clearly a need for a more thorough understanding of mandates and competencies as they relate to economics instruction. A better understanding would be useful to the entire economics education movement. Such an understanding would assist curriculum developers as they create economics materials. Teacher trainers would be guided in selection of content. Change agents would have a better understanding of how to use existing mandates and competencies more effectively to promote economics instruction.

Procedure

The purpose of this project was to conduct a complete survey of the various states to determine the existence and content of state mandates and competency statements as they relate to economic literacy, and more specifically, how *Our Economy: How It Works* meets these mandates and competency statements. *Our Economy: How It Works*, authored by Elmer U. Clawson and published by Addison-Wesley Publishing Company, is an innovative junior high school level economics text. The book uses case studies to introduce important economic concepts in a style that can be easily understood by students. It is the belief of Center staff and the Foundation for Teaching Economics that data on state mandates and competencies will have utility for further dissemination and revisions of *Our Economy*, and also will be of interest to all those concerned with improving economic literacy in the nation's schools.

The data collection procedure involved surveying the fifty state departments of education to determine the existence of a mandate and/or competency statements for economic literacy. Data collection covered a time span from November, 1980, to June, 1981. Because of the rapidly changing nature of trends in education, it often is difficult to obtain a precise fix on any given situation. The data presented in this study is based on the most accurate information available at this time.

Initial contact was made by mail questionnaire to the social studies supervisors of the various states. The questionnaire requested information on the existence of a mandate and/or competency statements for economics instruction, a copy of the mandate and/or competency statements, and a copy of any state framework or course of study prepared by the state department of education dealing with economics. A follow-up questionnaire was forwarded to non-respondents. Telephone contact was made to clarify data and to seek additional information as needed. Through the questionnaire and telephone communication, the Center was able to collect the required data from the various state departments of education. In a few cases the Center relied on the state council for economic education to obtain the data. It was only through the cooperation of those who responded that the data could be collected.

The report is presented in 5 parts:

1. The National Status of State Mandates and Competencies for Economic Instruction,
2. Content Analysis of Legislative Mandates,
3. Content Analysis of State Frameworks, Courses of Study, and Competency Statements,
4. Individual State Reports, and
5. A Summary of Findings.

The report is designed as a factual presentation of data that can facilitate dissemination of *Our Economy*. As such, the data is presented in a straight forward, non-editorializing manner.

THE NATIONAL STATUS OF STATE MANDATES AND COMPENTENCIES FOR ECONOMIC INSTRUCTION

For purposes of this study, a mandate is defined as any legislative or state board of education ruling requiring the teaching of economics in the curriculum. Such mandates may either be classified as a free enterprise, an economic education, or a consumer education mandate. In some states a combination of these exists.

The three types of mandates can be distinguished by their intent. The purpose of a free enterprise mandate is to promote the benefits of the free enterprise system. Economic education mandates are designed to promote a positive understanding of the American economy, how it functions, and how the individual can function effectively within our economy as a consumer, worker or voter. Consumer education mandates are designed to improve consumer survival skills.

A competency is a level of mastery that a student is expected to demonstrate by a particular grade level. The assessment of mastery usually is determined by a test. In recent years competency tests increasingly have become a prerequisite for high school graduation.

Table 1 presents a summary of the status of mandates and competencies for economics instruction in the various states. This table is constructed on information available as of June 12, 1981. The data shows that twenty-four states (Alabama, Arizona, California, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Wisconsin and Wyoming) currently have a mandate for economics instruction in some form. Seven states (Florida, Idaho, North Carolina, Oregon, Texas, Virginia and Wyoming) currently have competencies or require local districts to develop competencies for economic literacy. Georgia and Tennessee are in the process of developing such competencies.

The research indicates that mandates for economic instruction tend to be the result of the cooperative efforts of the business community, state boards of education, and state legislators. Typically, those wanting a mandate work through the education committee of the state legislature to either introduce a separate bill mandating instruction in economics or to amend the existing school code to require economics instruction.

In some states where no mandate exists, legislatures have taken other actions to promote economics education. The Legislatures of Indiana and Kansas annually appropriate money to promote economics education. The Michigan and Ohio Legislatures have passed resolutions strongly urging instruction in consumer economics. Nevada requires a course in economics for the re-certification of teachers. West Virginia has established a task force to study the social studies curriculum 7–12, which may lead to a mandate for economics education. And, the Legislatures of New Mexico and Iowa annually consider the possibility of passing a mandate.

Specific forces can be identified which promote the passage of mandates. These push factors are the current interest in economics as expressed in the media, the activity of business groups lobbying for mandates in economics education, and the competency based education movement. When economic concepts are included in state competency based assessments, states may be viewed as mandating instruction in economics. As more states move in this direction, it is likely that increased emphasis will be placed on economics instruction.

Specific forces can be identified which work against or pull away from legislation requiring economics. These pull factors include a historical opposition to state mandates of any kind, strong local autonomy by school districts, opposition from other social science disciplines who either want a mandate for their field or none at all, and the lack of funds to implement and monitor a mandate. The sense of strong local autonomy appears to be the strongest force working against additional mandates. Because of strong local autonomy in Colorado, Indiana, Iowa, Massachusetts, Montana, New Hampshire, New Jersey, Vermont and Washington, a mandate in these states is very unlikely.

Mandates for economics instruction are most common in the south, where every state with the exception of Arkansas has a mandate of some kind for economics instruction. Enactment of mandates is least prevalent in the northeast and midwest. (See Figure 1, page 13)

Table 2 presents an analysis of the twenty-four states having mandates requiring instruction in economics. Eighteen states have a legislative mandate, and seven states have a state board ruling requiring economics instruction. Alabama has both a legislative and state board mandate. Twelve states have a free enterprise mandate, ten an economic education mandate, and seven states have a consumer education mandate. Alabama and Georgia have both a free enterprise and economic education mandate, while Delaware, Florida and Tennessee have a combined free enterprise and consumer education mandate. Seven states (Alabama, Arizona, Georgia, Louisiana, Oregon, South Carolina and Tennessee) require a separate course in economics. This required course is generally for one-half unit and taught at the eleventh or twelfth grade. Oregon and Georgia require a one unit course for graduation. Seventeen states require that economics be infused into the curriculum.

Table 1

A SUMMARY TABLE ON THE STATUS OF MANDATES AND COMPETENCIES FOR ECONOMICS INSTRUCTION IN THE VARIOUS STATES

STATE	MANDATES	COMPE-TENCIES	COMMENTS
Alabama	Yes—State Board/ Statute 1971	No	½ unit economics required for all seniors. ½ unit consumer economics one of four options available in grade 9. State Board strongly urges each school system to develop within the existing curriculum an economics scope and sequence K–12. A course in economics is required for teacher certification.
Alaska	No	No	
Arizona	Yes—Statute 1971		½ unit on the essentials and benefits of the free enterprise system is required for graduation. *Free Enterprise Syllabus* contains recommended content.
Arkansas	No	No	
California	Yes—Statute (Calif. Ed. Code) (1976)	No	Economic content required by California Education Code. Section 51210—". . . instruction shall provide a foundation for understanding the history, resources, development and government of California and the United States of America; the development of the American economic system, including the role of entrepreneur and labor; man's relations to his human and natural environment; eastern and western cultures and civilizations; and contemporary issues." Infusion within the social sciences K–12. A bill has been introduced to amend Section 51210 of the Education Code to define the American economic system as the free enterprise system. *History/Social Science Framework for California Public Schools* suggests basic economic concepts for economics.
Colorado	No	No	Strong local autonomy. State Department reports that a mandate is very unlikely.
Connecticut	Yes—Statute 1979	No	P.A. 79-128 Sec. 10-16 b—"Social Studies, including, but not limited to, citizenship, economics, geography, government and history." Economics added in 1979 as part of the State Board's legislative package. Infusion K–12.
Delaware	Yes—Statute	No	An instructional unit of free enterprise must be taken no later than 8th grade. 45 hours of consumer education 7–10. (Legislative resolution)
Florida	Yes—Statute 1974	Yes	Free Enterprise and Consumer Education Act of 1974—"The public schools shall each conduct a free enterprise and consumer education program in which each student will participate." K–12 infusion. Minimal instructional objectives have been established.
Georgia	Yes—State Board of Education	Now being developed	Course in the principles of economics/business/free enterprise required for graduation. Specific learner outcomes are in the developmental stage.
Hawaii	No	No	Social studies curriculum tends to have a strong social and cultural orientation.
Idaho	Yes—State Board	Yes	Consumer education K–12. *Consumer Economics Guide for Idaho Public Schools* suggests competencies.
Illinois	Yes—Statute	No	Consumer education 9–12. Prior to 1980, consumer education K–12.
Indiana	No	No	While there is no mandate for consumer or economic education, legislative support is strong. The Legislature directly funds consumer education (K–12) with $40,000 annually. The state mandates that in grades 6–12, students must take courses in Indiana and the federal Constitutions including political, economic and social aspects. The other half of the federal Constitution course is an elective, one of which may be psychology, sociology, anthropology or economics. Many local districts require economics. There is a general tendency in Indiana not to have many mandates. Local autonomy is strong.

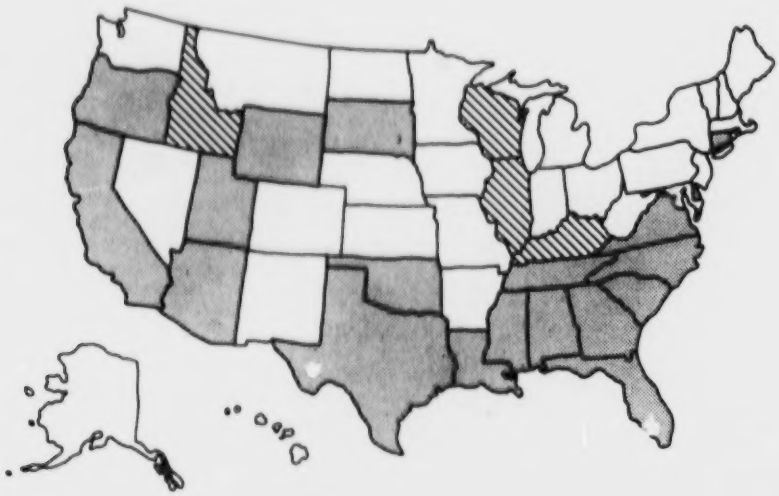
STATE	MANDATES	COMPE-TENCIES	COMMENTS
Iowa	No	No	For two years, the Legislature has attempted to pass a mandate requiring one semester of economics. Districts have strong local autonomy.
Kansas	No	No	In compliance with House Concurrent Resolution 1141 of the 1972 Legislative session, "A study of economic/consumer education in Kansas schools" was completed. The Legislature has allocated $50,000 per year for the purpose of upgrading economic/consumer education in the state. The funds have been used to establish co-ops for districts to cooperate in conducting workshops and improving the flow materials for economic/consumer education. As a result of the program, many districts have implemented one-semester economics or consumer education as a requirement for graduation. The State Department reports that the program has been well received by teachers, administrators and Legislators. It has been recommended to the Legislature that all Kansas teachers be required to take a course in economics or consumer economics in their preparation program.
Kentucky	Yes—Statute 1974	No	Consumer education K–12
Louisiana	Yes—Statute 1976	No	½ unit required for graduation. Statute—". . . that all public high schools shall give instruction on the essentials and benefits of the free enterprise system in which each student will participate in as a prerequisite to graduation." Taught in 11th or 12th grade. A course outline is prescribed by the State Department of Education.
Maine	No	No	State Department of Education is in the process of developing basic competencies for the social studies which will include economics.
Maryland	No	No	Contrary to previous publications, there is no required economics course. [*See Addendum*, p. 64]
Massachusetts	No	No	Strong local autonomy.
Michigan	No	No	Legislature strongly urges the teaching of consumer economics and has ordered the Michigan Department of Education to prepare a manual to assist local districts in implementing consumer education.
Minnesota	No	No	Personal, Family and Community Economics Task Force (1980) has recommended that the State Board of Education require each Minnesota school district to identify personal, family and community economic learner outcomes that students should be able to demonstrate before graduation.
Mississippi	Yes—Statute 1976	No	Infusion 1–12 Statute: "The purpose of this act is to insure the development of a comprehensive economic education program of grades one through twelve." Intent of the legislation is to provide not a mandated course but a well-integrated, multi-disciplinary, free enterprise, and economic education program in grades one through twelve. *Prescription for Economic Literacy in Mississippi's Schools* is available from State Department of Education.
Missouri	No	No	A basic essential skills test is administered in grade 8—includes economics objective.
Montana	No	No	Strong local autonomy
Nebraska	No	No	A strong interest in promoting economics exists at the State Department.
Nevada	No	No	Economics education is one of five areas required for re-certification of *all* teachers. A 1973 statute requiring instruction in "thrift" is no longer enforced. [*See Addendum*, p. 64]
New Hampshire	No	No	Interest for a mandate exists at the State Department. However, strong local autonomy may oppose it.

STATE	MANDATES	COMPE-TENCIES	COMMENTS
New Jersey	No	No	No law currently exists requiring economics education. The State Administrative Code for Education has a broad based objective that students be taught to be intelligent consumers and producers. Further, the code recommends that consumer education be infused into the total curriculum. However, local district option prevails and each district writes their own curriculum. An Executive Order in 1973 established an Advisory Council on Economics in Career Education. The Council developed a master plan on economics in career education; however, the legislation to enact the plan died in 1975.
New Mexico	No	No	Each year the Legislature discusses the issue but has yet to pass a mandate. Consumer economics is included on the high school proficiency examination.
New York	No	No	Economics is being infused into the state social studies program. Economics questions are included in the statewide Regent's Testing Program.
North Carolina	Yes—Statute 1975	Yes	Instruction in the free enterprise system at the high school level, its history, theory, foundation, and the manner in which it is actually practiced. Economics is included in the competency goals and performance indicators for the state. A 5-year plan was approved by the State Board of Education. The plan strongly encourages the teaching of economics by providing for staff development. Emphasis is as follows: Grades 4–6 (1979–80); K–3 (1980–81); junior high school (1981–82); and senior high school (1982–83).
North Dakota	No	No	A minimum curriculum statute exists that encourages the teaching of economics and the free enterprise system.
Ohio	No	No	A resolution passed by the Legislature in 1969 strongly urged the teaching of consumer economics (K–adult). In 1980, State Department of Education hired an economic education consultant to conduct research into the status of economic education in Ohio schools. As yet, it is unknown how the Department will respond to the research results which point to an absence of K–12 economic education in the schools.
Oklahoma	Yes—Statute 1974	No	Provides for the vertical integration of economic education with the other social science disciplines. (Infusion K–12) The *Economic Education Curriculum Guide* was developed by the State Department of Education to aid districts in implementing the mandate.
Oregon	Yes—State Board of Education 1980	Yes	A graduation requirement beginning with the class of 1984. One unit (one year) in personal finance and economics will be required. Each local district decides at what grade level (9–12) to place the course. Competencies are determined by individual districts.
Pennsylvania	No	No	Economics was mandated in 1964 and statute repealed in 1969 because of pressure from other disciplines. State Board requires that social studies be taught from an interdisciplinary approach, which includes the infusion of economics. However, this is not monitored. Consumer education is encouraged to be taught in all subject areas in addition to the social studies.
Rhode Island	Yes—Statute 1979	No	Consumer Education 8–12 (infusion)
South Carolina	Yes—State Board of Education	No	½ unit of economics required for graduation. It is permissable to teach it in either ninth, tenth, eleventh or twelfth grade. It is recommended it be taught in the eleventh or twelfth grade.
South Dakota	Yes—Statute 1979	No	In 1979, the Legislature (H.B. 1245) mandated the teaching of free enterprise. The original bill required a separate free enterprise course. As amended, the Legislation calls for instruction in the free enterprise system. "All public and non-public schools shall provide instruction on the essentials and benefits of the free enterprise systems." Separate course or infusion is at the discretion of the local district. *South Dakota Economics/Free Enterprise Curriculum Guide* is available to guide local districts.

STATE	MANDATES	COMPE-TENCIES	COMMENTS
Tennessee	Yes—Statute 1974	Now being considered	½ unit of combined free enterprise system and consumer economics required for graduation. Students may meet the requirement by participating in Junior Achievement or distributive education. The State Department is in the process of studying and development social studies objectives, with economics being one part. There are over 90 people on the committee. To date, over 150 objectives for the social studies have been proposed.
Texas	Yes—State Education Code	Yes (Suggested)	Texas Education Code: "Require all Texas high schools to give instruction on the essentials and benefits of the American economic system effective September 1, 1978." How: incorporated into the required courses on American history, world history studies or world geography studies, and American government. An elective course on the free enterprise system for ¼ unit shall be made available. Economic education will be infused in all schools K–12 by 1981–82 school year. Economics and free enterprise grade 12 will be mandatory by 1983. Texas Education Agency has published suggested student competencies in economics for K–12.
Utah	Yes—Statute 1975 Resolution 1977	No	Statute 1975: "All public high schools shall give instruction on the essentials and benefits of the free enterprise system." Joint Resolution 1977—directed the State Board of Education to offer a course in free enterprise. State Board requirement: "Each high school must offer "America's Social and Economic Problems" to students who desire to take it.
Virginia	Yes—Board of Education Req.1973	Yes	State Board requires one unit of instruction on the free enterprise system within the required course on Virginia and United States government. A publication, *The American Free Enterprise System*, was designed to assist local school divisions in implementing this requirement. By 1981, graduating students shall demonstrate mastery of minimum competencies in citizenship. Specific competencies are to be determined by local school divisions. Six credit hours of economics are required for certification of social studies teachers at the secondary level; three credit hours of economics are required of elementary teachers teaching social studies.
Vermont	No	No	The teaching of economics is being promoted by the "Econ Trek" project which is an integrated program of workshops and teaching materials with the objective to provide knowledge and understanding of economic concepts and issues, and to encourage teachers to work with those concepts into lesson plans and classroom teaching.
Washington	No	No	Economic education progressing well without a mandate. State Department is of the opinion a mandate might deter this progress.
West Virginia	No	No	Recently, a 36-member task force has been appointed to look at social studies 7–12. This independent group will look at the following: 1) inclusion of citizenship training, 2) inclusion of U.S. history, and 3) teaching of economics and consumer education. The task force will develop statements of competencies for each of these areas. It is anticipated that economics will be mandated as a separate course or infused into other social studies courses.
Wisconsin	Yes—Legislature 1974	No	Consumer economics—infusion K–12. Department of Public Instruction has published *Descriptors for Economic Understanding* to act as a guide for infusion of economic concepts in the K–12 curriculum.
Wyoming	Yes—Policy of State Board 1980	Yes	Minimum requirements for a high school diploma—"Demonstrated ability to read, write and compute with proficiency, and an understanding of the process and structure of democratic governance and our free enterprise system." Local school districts are required to establish their own standards of proficiency and program requirements for graduation.

Figure 1

GEOGRAPHIC DISTRIBUTION OF STATES MANDATING ECONOMIC INSTRUCTION



FREE ENTERPRISE OR ECONOMIC EDUCATION MANDATE

CONSUMER EDUCATION MANDATE

Table 2

AN ANALYSIS OF 24 STATE MANDATES REQUIRING INSTRUCTION IN ECONOMICS

	LEGISLATIVE	STATE BOARD	FREE ENTERPRISE	ECONOMIC EDUCATION	CONSUMER EDUCATION	INFUSION	REQUIRED COURSE	
Alabama	*	*	*	*			*	½ unit economics
Arizona	*		*				*	½ unit Essentials of the Free Enterprise System
California	*			*		*		
Connecticut	*			*		*		
Delaware	*		*		*	*		
Florida	*		*		*	*		
Georgia		*	*	*			*	1 unit Principles of Econ/Business/Free Enterprise
Idaho		*			*	*		
Illinois	*				*	*		
Kentucky	*				*	*		
Louisiana	*		*				*	½ unit Free Enterprise System
Mississippi	*			*		*		
North Carolina	*		*			*		
Oklahoma	*			*		*		
Oregon		*		*			*	1 unit Personal Finance and Economics
Rhode Island	*				*	*		
South Carolina		*		*			*	½ unit Economics
South Dakota	*		*			*		
Tennessee	*		*		*		*	½ unit Free Enterprise System and Consumer Econ.
Texas	*			*		*		
Utah	*		*			*		
Virginia		*	*			*		
Wisconsin	*				*	*		
Wyoming		*	*			*		

CONTENT ANALYSIS OF LEGISLATIVE MANDATES

Legislative mandates for economics instruction vary from specific pieces of legislation, such as in Florida, Louisiana and Oklahoma (see Appendix), to statements contained within other legislation, such as in California, Connecticut and North Carolina. Table 3 presents a content analysis of legislative acts requiring economic or free enterprise instruction.

Within these mandates the free enterprise system typically is defined as "an economic system characterized by private or corporate ownership of capital goods, by investments that are determined by private decision rather than by state control, and by prices, production and the distribution of goods that are determined in a free manner."

Typically, economic education mandates call for a positive understanding of the American economic system and how the individual can function effectively within our economy as a consumer, worker and voter. The Louisiana Free Enterprise Act and the Oklahoma Economic Education Act provide models of comprehensive legislation requiring instruction in economics.

Among the unique characteristics of legislative mandates, the Oklahoma and Texas legislation provides for the appropriation of funds and encourages the seeking of additional funds from all other sources, federal, state, local and private, to carry out the mandate. The Utah mandate requires that the state board of education be advocates of the free enterprise system and that they employ competent teachers sufficiently familiar with the system to become its advocate. Separate from its mandate, the Florida Legislature provides funding to help support the Florida Council for Economic Education.

Table 3
CONTENT ANALYSIS OF LEGISLATIVE ACTS REQUIRING ECONOMIC OR FREE ENTERPRISE INSTRUCTION

CONTENT	ALABAMA	ARIZONA	CALIFORNIA	CONNECTICUT	DELAWARE	FLORIDA	LOUISIANA	MISSISSIPPI	NORTH CAROLINA	OKLAHOMA	SOUTH DAKOTA	TENNESSEE	TEXAS	UTAH
Free Enterprise Mandate	*	*			*	*	*		*		*	*		*
Economic Education Mandate			*	*				*		*			*	
Consumer Education Mandate					*	*						*		
Contained Within Other Legislation			*	*	*				*					
Provides for a Separate Course		*					*					*		
Provides for Infusion	*		*	*	*	*		*	*	*	*		*	
Role of State Board/State Department of Education: Prescribe a Course of Study	*	*					*				*	*	*	*
Prescribe Materials		*					*					*	*	*
Defines Free Enterprise	*	*					*					*		
Defines Economic Education								*		*			*	
States a Purpose	*							*		*			*	
Includes Pre-Service Training								*		*			*	
Includes In-Service Training							*	*		*			*	
Includes Economic Education Centers								*		*			*	
Provides for Funds										*			*	
Includes a Timeline for Implementation							*	*		*			*	
Requires an Annual Report to the Legislature						*	*			*			*	
Provides for Evaluation								*		*			*	
Contains a Waiver							*					*		
Requires Advocacy of the Free Enterprise System	*													*
Anti-Communism Instruction	*													

CONTENT ANALYSIS OF STATE FRAMEWORKS, COURSES OF STUDY AND COMPETENCY STATEMENTS

The research found that only three states (Florida, North Carolina and Texas) have state-wide competency statements for economic literacy. And of these, Texas' competencies are only suggested. Tennessee and Georgia are now in the process of developing competencies. Oregon, Virginia and Wyoming require that competencies for economics be developed by the local school districts. Idaho has identified competencies to act as a guide for its consumer education mandate.

Since there are not enough competencies, as such, to come to a consensus on what states typically consider to be competency in economics, no table was formulated. As an alternative, Table 4 lists the economic concepts most frequently found in thirteen selected state frameworks documents, courses of study, and in competency statements for economic education. The Table provides an indication of what the state departments of education consider to be important concepts in economics. The basics of the free enterprise system and the concept of supply and demand are found in all the documents surveyed. Other concepts frequently included are scarcity, government regulation, inflation, taxes, economic growth, government spending and production. A correlation with *Our Economy* was done to determine where the text covers these economic concepts. The correlation indicates that *Our Economy* covers all but one (labor organizations) of the economic concepts most frequently identified for instruction by the states. Correlations for individual states are provided in the next section.

Although not on the most frequent list, there are several economic concepts that were presented in one or more state curriculum documents that are missing in *Our Economy*. These include: gross national product, consumer price index, oligopoly, poverty, discriminatory labor practices, nature of a global economy, impulse vs planned buying, consumer budgeting, advantages and disadvantages of credit, warranties and contracts, insurance, consumer rights and responsibilities, capitalism vs communism (using these terms), threats to free enterprise, and functions of the stock market.

Table 4

CORRELATION OF ECONOMIC CONCEPTS, MOST FREQUENTLY FOUND IN THIRTEEN SELECTED STATE FRAMEWORKS, COMPETENCY STATEMENTS AND COURSES OF STUDY WITH *OUR ECONOMY*

Economic Concept	f	Our Economy
Supply and Demand	13	31–33
Basics of the Free Enterprise System	13	Throughout
Scarcity	12	12, 15–27
Government Regulation	12	262, 264, 269-272
Inflation	11	224, 308–310
Taxes	11	285–300
Economic Growth	11	308–309
Government Spending	11	261–289, 296–300
Production	11	10–29, 53–218
Tradition, Command, and Market Economic Systems	10	38–40
Investment	9	26–27, 79, 128–130, 168, 213, 314, 318
Specialization	9	5, 302–305
Role of Price	9	31–33
Consumer Decision-Making	9	28–36, 270
Organization of Business	8	245
Savings	8	26–27
International Trade	8	19–20, 204–208, 214
Labor Organizations	8	0
Economic Stability	8	297, 308–310
Competition	7	33–35, 130–131, 252–253
Profit Motive	7	Throughout
Interdependence	7	5–8, 302–305
Interrelationship Between Resources	7	15–27
Role of Money	7	219–260
Exchange Transactions	7	5–8, 221–222, 302–305
Income Distribution	7	272–276, 310–312
Monetary Policy	7	228–232
Fiscal Policy	7	294–295
Consumption	6	320
Price Determination	6	31–33
Capitalism vs Communism	6	38–40

States represented: Arizona, California, Florida, Georgia, Louisiana, Maryland, Mississippi, Missouri, North Carolina, South Carolina, South Dakota, Texas and Utah

INDIVIDUAL STATE REPORTS

Reports on individual states which have a mandate and/or have had a correlation with their framework, course of study, or competency statements completed with *Our Economy* are presented in this section.

The format of presentation was selected to facilitate the extraction of data on individual states by those who may have only an interest in a selected state. Data on states not included can be obtained by referring to Table 1.

Table 5 presents an overview of the information contained for each state in this section.

Table 5
CONTENT OF INDIVIDUAL STATE REPORTS

State	Copy of Legislation	Copy of State Board Mandate	Correlation With Our Economy	Other
Alabama	*	*		Description of 9th Grade Consumer Economics Course & 12th Grade Required Economics Course.
Arizona	*		*	
California	*		*	
Connecticut	*			
Delaware	*			
Florida	*		*	
Georgia		*	*	
Idaho		*		Description of Consumer Ed. Course.
Illinois	*			Rationale for Consumer Education.
Kentucky	*			
Louisiana	*		*	
Maryland			*	
Mississippi	*		*	
Missouri			*	Correlation with Basic Essential Skills Test.
North Carolina	*		*	
Oklahoma	*			Explanation of the Economic Education Act.
Oregon		*		Minimum Standards for Public Schools in Oregon.
Rhode Island	*			Commissioner of Education's Interpretation of the Legislation.
South Carolina		*	*	
South Dakota	*		*	
Tennessee	*			A History of the Legislation
Texas	*		*	
Utah	*		*	
Virginia		*		
Wisconsin	*		*	
Wyoming		*		

Alabama

Mandate: Statute 16-40-3 *Laws of Alabama Relating to Education*:

> Instruction in history, doctrines, etc., of communism. The legislature of the State of Alabama requires that "adequate instruction shall be given each year in the history, doctrines, objectives and techniques of communism and shall be for the primary purpose of instilling in the minds of the students a greater appreciation of democratic processes, freedom under law and the will to preserve that freedom.
>
> The direction of study shall be one of orientation in contrasting the government of the United States of America with the Soviet government and shall emphasize the free-enterprise-competitive economy of the United States of America as the one which produces higher wages, higher standards of living, greater personal freedom and liberty than any other system of economics on earth. It shall lay particular emphasis upon the dangers of communism, the ways to fight communism, the evils of communism, the fallacies of communism and the false doctrines of communism."
>
> State Board Resolution; approved October 1, 1975:
>
> NOW THEREFORE, be it resolved that the Alabama State Board of Education . . . does encourage the local school systems to develop and emphasize economic education on a sequential basis K–12. Economic concepts are integral to each course in social studies as well as to most disciplines and each grade level can and should appropriately reflect a natural expansion of the understandings that are necessary to a better appreciation of our way of life.

The State Board requires ½ unit of economics in the twelfth grade. All students in the ninth grade are required to take two semesters of social studies. One of the two courses must be Alabama history and the other may be chosen from anthropology, contemporary world issues, world geography, and consumer economics.

Competencies: None have been established. The State Board's description of the ninth grade consumer economics course and the twelfth grade required economics course follows.

Consumer Economics (Elective—Ninth Grade)

The emphasis of this course at the ninth grade level is to introduce students to the application of basic economic concepts to the problems of the individual producer-consumer, with the concentration on the skills needed to function intelligently in the marketplace. Less emphasis is placed on the teaching of economic theory.

The content and methodology chosen should be appropriate to the grade level of the students. Local human and material resources from the community should be utilized to the fullest extent possible in teaching Consumer Economics.

Students who take this course during the ninth grade to fulfill the second required half-unit of Social Studies may not take Consumer Economics during the twelfth grade to satisfy their Economics requirement.

Economics, United States Government, Communism (Required—Twelfth Grade)

Economics

The twelfth grade course in economics can be approached in any one of three ways. These modes of organization are:

I. *Economics.* The emphasis of this course is on the basic theoretical economic principles and concepts. While some emphasis is placed upon consumerism and comparative economic systems, the intent of the course is to help the student to understand and analyze economic systems through the use of economic concepts, principles, and theories.

II. *Consumer Economics.* The emphasis in this course is upon the application of basic economic concepts to the problems of the individual producer-consumer with a concentration on the skills needed to function intelligently in the marketplace. Less emphasis is placed on comparative economics or on economic theory. If consumer economics is selected as a ninth grade elective, it cannot be taken for credit on the twelfth grade level. The approach on the twelfth grade level must then be either economic theory or comparative economics.

III. *Comparative Economics.* While this course is also theoretical in approach, it focuses upon the comparison of economic systems in other countries, particularly the Soviet Union. The student is asked to investigate the ways in which the economic systems of various nations attempt to meet the needs of their citizens. The United States is used as the basis of comparison.

Arizona

MANDATE: One-half unit on the essentials and benefits of the free enterprise system is required for graduation.
Statute 1971

COMPETENCIES: None specifically prescribed.
Free Enterprise Syllabus, published by the Arizona Department of Education, contains statements of *recommended* content in concept form.

RELATING TO EDUCATION; PROVIDING FOR HIGH SCHOOL INSTRUCTION IN THE FREE ENTERPRISE SYSTEM, AND AMENDING TITLE 15, CHAPTER 10, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-1025.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Title 15, chapter 10, article 3, Arizona Revised Statutes, is amended by adding section 15-025, to read:

15-1025. *Instruction in free enterprise system*

A. ALL PUBLIC HIGH SCHOOLS SHALL GIVE INSTRUCTION ON THE ESSENTIALS AND BENEFITS OF THE FREE ENTERPRISE SYSTEM. INSTRUCTION SHALL BE GIVEN IN ACCORDANCE WITH THE COURSE OF STUDY PRESCRIBED BY THE STATE BOARD OF EDUCATION FOR AT LEAST ONE SEMESTER, EQUAL TO ONE-HALF UNIT OF CREDIT. THE STATE BOARD OF EDUCATION SHALL PRESCRIBE SUITABLE TEACHING MATERIAL FOR SUCH INSTRUCTION.

B. THE COSTS OF SUCH INSTRUCTION, EXCEPT THOSE OF THE STATE BOARD IN PRESCRIBING THE COURSE OF STUDY, SHALL BE AN EXPENSE OF THE SCHOOL DISTRICT INVOLVED.

C. AS USED IN THIS SECTION "FREE ENTERPRISE" MEANS AN ECONOMIC SYSTEM CHARACTERIZED BY PRIVATE OR CORPORATE OWNERSHIP OF CAPITAL GOODS, BY INVESTMENTS THAT ARE DETERMINED BY PRIVATE DECISION RATHER THAN BY STATE CONTROL, AND BY PRICES, PRODUCTION, AND THE DISTRIBUTION OF GOODS THAT ARE DETERMINED IN A FREE MANNER.

Approved by the Governor—April 16, 1971
Filed in the Office of the Secretary of State—April 19, 1971

Arizona

CONCEPT		OUR ECONOMY
I.	Concept of Scarcity—Man's expressed desires for material things outreach the availability of material resources.	**Pgs. 12, 168–169, 208–209, 285–300, 314–315**
II.	Concept: Most goods and services are paid for either directly or indirectly. Goods used for one purpose are not available for other uses.	**Pgs. 16–17, 28–30, 127, 208–209**
III.	Concept: Economic choices made as a result of scarcity include—Consumption goods and investment; necessities and luxuries; public goods and private goods.	**Throughout**
IV.	Concept: Economic systems must contend with the needs of individuals and societies to make choices.	**Throughout**
V.	Concept: There are essentially two economic goals which characterize economic systems: those directed toward the needs of the state, and those directed toward the needs of individuals. Differences exist between economic systems.	**Chapters 1, 7 & 8**
VI.	Concept: Relationships between the state and individual include:	
	Ownership of the means of production	**Throughout**
	Taxation (types and relative amounts)	**Pgs. 264, 285–291, 297**
	Occupational choice	**Pgs. 317–318**
	Return on property and return for labor	**Pgs. 36–38, 199–201**
	Choice in consumption	**Pgs. 36–38**
VII.	Concept: Political systems and economic systems, while different, are inter-related.	**Chapters 1 & 7**
VIII.	Concept: Exchange as the principal allocation device for an economy is a relatively recent event in economic history.	**Pgs. 1–10, 219–228, 248–249**

CONCEPT		OUR ECONOMY
IX.	Concept: Private ownership of property is an essential institution of the free enterprise system.	**Throughout**
X.	Concept: Man acts to advance his own interests.	**Pgs. 28–39, 317–318**
XI.	Concept: Government's principal role is *limited* and governmental participation is enlarged only after it is proved necessary.	**Chapter 7**
XII.	Concept: Supply is a function of availability of goods and demand for them.	**Pgs. 31–33**
XIII.	Concept: *Demand* The Law of Demand—as prices of a resource or product increase, the quantity bought will decrease, and vice-versa. This concept is rooted in two factors. As price increases, with a given income, less can be bought; also, as price increases, purchasers will switch to resources or products whose prices are now relatively cheaper.	**Pgs. 31–33**
XIV.	Concept: Determination of Price. Only a price at which the quantity demanded equals the quality supplied is a sustainable price. Price will tend to move until this condition is realized.	**Pgs. 31–33**
XV.	Concept: Supply and demand analysis may be applied to a wide range of economic issues.	**Pgs. 31–38**
XVI.	Concept: The market operates as an allocation device.	**Pgs. 10–38**
XVII.	Concept: Market forces must be able to function relatively free from prolonged government interference and monopoly control.	**Pgs. 14, 33–36, 130–131, 296–297**
XVIII.	Concept: Specialization and technology requires a medium of exchange (money) and a system of credit to finance investment capital. A system of money and credit facilitates these functions.	**Chapter 6**
XIX.	Concept: The success of the Western market economics in raising the level of production is a function of the free enterprise system and its emphasis on economic freedom.	**Throughout**
XX.	Concept: Supply and demand emphasis facilitate understanding of aggregate flow of output and income.	**Pgs. 223–230, 272, 306–310, 284–295**
XXI.	Concept: Free enterprise is the use of private property for one's own personal profit, gain, or advantage with property being broadly defined as including all factors of production as well as natural resources.	**Throughout**

California

MANDATE: California Education Code Section 51210—". . .instruction shall provide a foundation for understanding the history, resources, development, and government of California and the United States of America; the development of the American economic system, including the role of entrepreneur and labor; man's relations to his human and natural environment; Eastern and Western cultures and civilizations; and contemporary issues." (Infusion K–12)

California Education Code Section 51211—". . .instruction. . .in the area of study of social sciences shall also provide a foundation for understanding the wise use of natural resources." (Infusion K–12)

COMPETENCIES: None are prescribed

NOTE: The California Social Science Framework (1981) envisions and advocates the integration or orchestration of all the social sciences. It recommends "That in the required courses grades K–12, courses of study should reflect a careful, judicious, rich blending of the various components of the social science program. To that end the Framework identifies the basic concepts of the various social sciences."

A correlation of *Our Economy: How It Works* and the basic concepts in economics as identified in the California Social Science Framework follows.

California

BASIC CONCEPTS IN ECONOMICS	OUR ECONOMY
1. Scarcity, the situation in which total economic wants exceed available resources, is the basic economic problem of all societies. Scarcity necessitates choices about how to distribute and use limited resources. Every choice results in an opportunity cost—the cost of that which is given up, or not produced—when the decision is made to produce a given good or service. How a society organizes to handle choice problems created by scarcity mandates the need for some type of economic system.	**Pgs. 10–15**
2. Every society in history has developed an economic system to respond to the scarcity problem. Economic systems exist to provide answers to the three basic questions in economics: (1) what should be produced, (2) how should it be produced, and (3) for whom should it be produced; i.e., how should it be distributed? Economists classify three "pure" economic systems—traditional, command, and market. Traditional societies answer the three basic economic questions by means of tradition and custom; command systems answer the questions by the use of planning and authority; the market economies answer them through the interactions of consumers, producers, and to some extent, government. Modern economic systems are "mixed" economies in that they contain elements of each of the three pure systems, although one type of system usually dominates decision-making. The ability of any economic system to meet the demands of society depends ultimately on the availability of productive resources.	**Pgs. 10–27, 28–30, 266–285, 305–306**
3. Productive resources are necessary before production can occur. These resources include natural resources, human resources in the form of labor and management, and capital goods. Capital goods are materials and machines created to produce goods and services. In addition, time, which cannot be recaptured or stored, and space, which affects ease of communication and transportation, are important dimensions affecting the productivity of resources.	**Pgs. 15–27, 304–305, 310–312**
4. Occupational and regional specialization increases the productivity of existing resources and increases interdependence. Thus, formerly independent individuals must now depend on others to produce goods and services they need and/or want. This interdependence creates a need for mechanism of exchange to facilitate the transfer of resources and goods between individuals, regions, and nations (international trade).	**Pgs. 5, 71, 167–168, 302–305**
5. Money, in various forms, serves as a medium to facilitate the exchange of goods and services. Money's value is determined by the number of goods and services it commands in exchange. The dollar is the monetary unit used in the United States as a medium of exchange in the world market. By studying the dollar as it fluctuates in value periodically, the student can understand better the economy of other nations and the world.	**Pgs. 7, 27, 219–260, 309**
6. A market economy operates via a network of markets and prices which reflect shifting supply and demand conditions as well as governmental policies. This market network serves as the main regulators of the distribution of scarce resources in the production of the most desired goods and services. In a command economy, distribution decisions are made by a set of planning institutions supplemented by markets.	**Pgs. 29–30, 38–40, 266–285, 296–297**

BASIC CONCEPTS IN ECONOMICS	OUR ECONOMY
7. Students need to know how to explain or describe the performance of their economy. They must understand *income distribution*, or that portion of society's wealth returned to the contributors: *wages* and *salaries* to labor, *interest* to capital, *rent* to owners of land and resources, and *profits* to investors and entrepreneurs make up the *per capita income* and *income distribution* the most commonly used measure of society's standard of living.	**Pgs. 235, 241–244, 252–253, 323**
They also must understand the meaning of the *Gross National Product*, defined as the sum of the value of all goods and services produced for final sale, and index numbers such as the *Consumer Price Index*. A suggested method of facilitating a conceptual understanding of the development and performance of our economy is to study the historical development of the corporate structure from its inception to the present.	**0**
8. Since economic measuring most often uses charts, graphs, and tables, students need to acquire the skills to understand this language.	**Pgs. 25, 27, 74, 100, 102, 135, 155, 193, 197, 215, 290**
9. The student should understand the concept of interdependence. When any society industrializes, such as the United States has done, it must specialize. This means that once independent individuals now need many others to produce the everyday household goods and services that formerly most individuals either provided for themselves or did without.	**Pgs. 5, 71, 167–168, 302–305**
10. The student should begin to grasp the more subtle implications of the dialogue between organized capital in the corporate form and organized labor in the free trade union form, *in collective bargaining*: an original American invention theoretically designed to bring maximum benefits to both sides in the procedure, a loyal and productive labor force in exchange for good wages and humanistic benefits.	**0**
11. Students need opportunities to examine the local, national, and global problems of our particular mixed economy. Among these problems are:	
• The *inflationary* pressures and the decrease of workers' real earnings	**Pg. 309**
• The persistence of *poverty* in a generally productive economy	**0**
• *Discriminatory* labor market practices	**0**
• Successes and failures of *governmental manpower programs*	**0**
• *Environmental problems of health and safety* in the workplace and in the community at large	**Pgs. 270–271, 312–313**
• The expanding *oligopolistic* nature of the American economy (the existence of a market dominated by a few sellers).	**0**
• The perceived needs of contemporary society balanced against future generations' essential requirements.	**Pgs. 310–317**
12. Students need to be able to analyze the basic economic goals of their society; i.e., freedom of choice, efficiency, equity, full employment, price stability, growth, and security in light of their personal value systems. They should also recognize the existence of trade-offs among these goals. They need to develop as well the analytical skills to assess economic issues and proposed governmental policies in light of these goals.	**Pgs. 261–300, 306–310, 317–318**
13. Students need to understand the organization and importance of the international economic system; the distribution of wealth and resources on a global scale; the struggle of the "developing" nations to attain economic independence and a better standard of living for their citizens, and the role of the transnational corporation in the international economic order.	**0**

Connecticut

MANDATE: P. A. 79–128, Section 10–16b, 1979. Included economics as part of the mandatory program in the social studies. "Social studies, including, but not limited to, citizenship, *economics*, geography, government, and history." This addition was part of the legislative package presented by the State Board of Education. (Infusion K–12)

COMPETENCIES: None. A "Guide to Social Studies Curriculum Development" is being written and will be available in the fall of 1981.

Delaware

MANDATE: House Bill 310, which becomes a part of the newly designated Section 4103, Title 14, Delaware Code, expands the previous statutory mandate relative to teaching the Constitution of the United States and Constitution and Government of Delaware by including instruction about the free enterprise system.

It becomes the responsibility of the local school districts to assure that appropriate instruction be provided with these stated considerations:

1. That instruction pertaining to concepts, structure, and basic principles of the free enterprise system be provided all students no later than the opening of the eighth grade and shall continue in the high school courses.

2. That the provisions relative to Social Studies set forth on page C-5, *Handbook for Secondary Schools*, be fully implemented to assure compliance with the intent of the modification contained in HB 310 so that formal classroom instruction is provided to include:

   a. Constitution of the United States
   b. Constitution of Delaware
   c. Government of Delaware
   d. Free enterprise system.

3. That instruction be provided in either the seventh or eighth grade as part of a course in United States History or Delaware History and further instruction be provided during the senior high school grades.

It is the responsibility of the State Board of Education to determine the extent to which the present program of studies provides for appropriate classroom instruction for all students. The staff of the Department of Public Instruction will assume responsibility to determine through visitation, observation and administrative reporting the nature of instruction provided to assure appropriate implementation of Section 4103 of Title 14.

Further, it has been resolved by the Legislature that 45 hours of consumer education be taught in grades 7–10.

COMPETENCIES: None have been prescribed by the state.

Florida

MANDATE: "The public schools shall each conduct a free enterprise and consumer education program in which each student will participate." Free Enterprise and Consumer Education Act, 1974 (Infusion K–12)

COMPETENCIES: Minimal instructional objectives have been established by the Florida State Department of Education

Florida

233.0641 Free enterprise and consumer education program.—

(1) This section may be known and cited as the "Free Enterprise and Consumer Education Act."

(2) The public schools shall each conduct a free enterprise and consumer education program in which each student shall participate.

(3) Acknowledging that the free enterprise or competitive economic system exists as the prevailing economic system in the United States, the program shall provide detailed instruction in the day-to-day consumer activities of our society, which instruction may include, but not be limited to, advertising, appliances, banking, budgeting, credit, governmental agencies, guarantees and warranties, home and apartment rental and ownership, insurance, law, medicine, motor vehicles, professional services, savings, securities, and taxes. The program shall provide a full explanation of the factors governing the free enterprise system and the forces influencing production, distribution, and consumption of goods and services. It shall provide an orientation in other economic systems.

(4) In developing the consumer education program, the Department of Education shall give special emphasis to:

(a) Coordinating the efforts of the various disciplines within the educational system and the activities of the divisions of the Department of Education which are concerned with consumer education.

(b) Assembling, developing, and distributing instructional materials for use in consumer education.

(c) Coordinating and assisting the efforts of private organizations and other governmental agencies which are concerned with consumer education.

(5) The Commissioner of Education shall, at least 30 days prior to the 1975 session of the Legislature, transmit to members of the State Board of Education, the President of the Senate, the Speaker of the House of Representatives, and the chairmen of the Senate and House Committees on Education a statement of the overall free enterprise and consumer program, together with a recommended method of evaluating student understanding of the program. Each year thereafter the commissioner shall transmit to the above-named persons an appraisal of the overall consumer education program as to the effectiveness as shown by performance-based tests, efficiency, and utilization of resources, including therewith a statement of the overall consumer education program for the coming fiscal year and any other recommendations deemed by the commissioner to be appropriate.

FREE ENTERPRISE AND CONSUMER EDUCATION

Minimum Objectives for Florida Schools
Grades 3, 5, and 8

Topic		Included in Our Economy
#A	Free Enterprise, Business Organizations, and Private Property	Yes
#B	Tradition, Command and Market Economic Systems	Yes
#C	Labor Organzations	Yes
#D	Scarcity and Production	Yes
#E	Capital, Investment, Profit Motive, and Economic Growth	Yes
#F	Specialization, Technology, Exchange and Interdependence	Yes
#G	Supply and Demand	Yes
#H	Price, Market, Equilibrium, and Inflation	Yes
#I	Advertising and Market Research	Yes
#J	Distribution	Yes
#K	Scarcity and Consumer Decision-Making	Yes
#L	Personal and Family Income and Budgets	Yes
#M	Savings and Personal Investments	Yes
#N	Financial Institutions, Consumer Credit, and Interest Rates	Yes
#O	Selection, Use, and Care of Goods and Services	Yes
#P	Contracts, Warranties, and Guarantees	Yes
#Q	Consumers Education, Rights, and Responsibilities	Yes
#R	Consumer Legislation, Regulation, and Services	Yes
#S	Insurance	
#T	Government Functions (Taxation, Spending and Regulations)	Yes
#U	Federal Reserve System and Role of Money	Yes
#V	International Trade and Monetary Exchange	Yes

TOPIC	OBJECTIVES—The student will:	PAGES IN OUR ECONOMY*
#A — FREE ENTERPRISE, BUSINESS ORGANIZATIONS, AND PRIVATE PROPERTY	1. Distinguish between private and public property.	307, 318
	2. Identify private property as the basic foundation of a free enterprise system.	307, 318
	3. Define a *free enterprise (capitalist) economy* as a system where individuals and businesses risk their own investment in competition with other individuals and businesses (managers) to produce and distribute goods and services for profit.	307
	4. Identify elements of the American economic system to include: freedom, opportunity, justice, efficiency, growth, and security.	307–310
	5. Define *competition* as the effort of two or more parties to secure the business of a third party.	33–35, 130–131, 252–253
	6. Describe some ways in which competition benefits the consumer.	130–131
	7. Identify sole proprietorship, partnerships, cooperatives, and corporation as four types of business organizations (in the private sector).	245

TOPIC	OBJECTIVES—The student will:		PAGES IN OUR ECONOMY*
#B — TRADITION, COMMAND, AND MARKET ECONOMIC SYSTEMS	8.	Identify the categories of economic systems: tradition, command, and market.	**38–40**
	9.	Name the three questions that all economic systems must try to answer: what is to be produced? how is it to be produced? and to whom will it be distributed?	**10–14**
#C — LABOR ORGANIZATIONS	10.	Define *labor force* as people employed or seeking employment.	**18–19**
	11.	Define *labor union* as an association of workers who are organized to bargain collectively with employers.	**271**
#D — SCARCITY AND PRODUCTION	12.	Define *consumer goods* as items that are capable of satisfying a human want.	**10–14**
	13.	Define *services* as work done for others which does not produce goods.	**10–11, 323**
	14.	Identify why scarcity requires choices.	**12**
	15.	Identify energy resources.	**314–315, 168–169**
	16.	Define *producer* as a maker of goods or a performer of services.	**29, 266**
	17.	Define *production* as the creation of goods or services.	**12, 322**
	18.	Distinguish between producers of goods and performers of services.	**10–15**
	19.	Identify how substitutions can be used when a resource becomes more scarce.	**208–209**
	20.	Distinguish between a consumer good and a capital good.	**23, 11**
	21.	Identify the factors of production as natural resources, labor, capital and management.	**15**
	22.	Identify how energy factors affect the cost and availability of goods and services.	**168–170, 172–218, 308**
	23.	Identify how environmental factors affect the cost and availability of goods and services.	**312–313**
#E — CAPITAL INVESTMENT, PROFIT MOTIVE, AND ECONOMIC GROWTH	24.	Define *capital goods* as tools, equipment, machinery and buildings that are used in the production of other goods and services.	**23**
	25.	Define *profit* as the reward for taking risk in business.	**36–37**
	26.	Define *net profit* as remainder after all costs, expenses, and taxes are satisfied.	**36–37, 200–201**
	27.	Identify some ways in which firms use profits.	**37–38, 79, 194, 200–201, 244**
	28.	Define *economic growth* as an increase in a nation's total output of goods and services.	**308–309**
#F — SPECIALIZATION, TECHNOLOGY, EXCHANGE AND INTERDEPENDENCE	29.	Name some methods of economic exchange.	**6–7, 221–222**
	30.	Define *specialization* as individuals or groups concentrating on one job rather than attempting to do many jobs.	**5, 302–305**
	31.	Define *exchange* as obtaining goods and services from others in return for money, credit or other goods and services.	**7–8**
	32.	Define *technology* as the use of tools and/or knowledge to produce goods and services.	**310–311**
	33.	Identify how technological progress might result in lower prices, increased productivity, and a better quality product.	**23–25, 36, 77, 167, 310–312**

TOPIC		OBJECTIVES—The student will:	PAGES IN OUR ECONOMY*
#G — SUPPLY AND DEMAND	34.	Define *demand* as the amount of goods and services that buyers are willing to buy.	31–33
	35.	Define *marketplace* as a setting where goods and services are bought, sold, or traded.	6–8, 29
	36.	Define *supply* as the amount of goods or services that sellers are willing to sell.	31–33
	37.	Name some factors which may influence the supply of a good or service.	31–33
	38.	Name some factors which may influence the demand for a good or service.	31–33
	39.	Define *demand* as the amount of goods and services that buyers are willing to buy at each specific price in a given market at a given time.	31
	40.	Define *market* as a situation in which individuals and businesses interact to buy, sell or exchange goods and services.	31–33
	41.	Define *supply* as the various amounts of goods and services that sellers are willing to sell at each specific price in a given market at a given time.	31
	42.	Define *The Law of Supply and Demand* as follows: as the price of a good or service increases, sellers will offer more and buyers will demand less; as price falls, sellers will offer less and buyers will demand more.	32
#H — PRICE, MARKET EQUILIBRIUM AND INFLATION	43.	Define *price* as the money value set for a good or service.	31–33
	44.	Define *inflation* as a decrease in the purchasing power of money.	224, 309
#I — ADVERTISING AND MARKET RESEARCH	45.	Define *advertising* as a means to inform people about a firm's products or services, or to persuade people to purchase a firm's goods or services rather than those produced by a competitor.	73, 89, 106
	46.	Recognize misleading and nonmisleading advertising.	89, 252–253
#J — DISTRIBUTION	47.	Identify the different methods of transportation used to distribute goods and services.	195–198, 304
	48.	Define *distribution* as the process for getting products from producers to consumers.	15, 71–72, 198–199
#K — SCARCITY AND CONSUMER DECISION-MAKING	49.	Define *consumers* as users of goods and services.	11, 320
	50.	Define *consumption* as the use of goods and services.	320
	51.	Identify some benefits of comparison shopping.	33–36
	52.	Identify how a consumer choice involves the giving up of other alternatives.	29
	53.	Define *impulse buying*.	0
	54.	Define *planned buying*.	0
#L — PERSONAL AND FAMILY INCOME AND BUDGETS	55.	Identify some sources of income.	243–244, 273–274, 307, 317
	56.	Define *budget* as a plan for the use of money, time and other resources.	0
	57.	Distinguish between total pay and "take home" pay.	290–291
	58.	Identify who must file and pay an income tax.	290–291
	59.	Demonstrate the completion of a simple income tax return.	290

TOPIC	OBJECTIVES—The student will:	PAGES IN OUR ECONOMY*
#M — SAVINGS AND PERSONAL INVESTMENTS	60. Define *savings* as income which is not spent for consumer goods or services but is set aside for future use.	**26–27**
	61. Name reasons why people save.	**26**
	62. Define *personal investment* as the purchase of an asset (with some degree of risk) for the purpose of earning future income.	**79, 128–130, 314, 318**
#N — FINANCIAL INSTITUTIONS, CONSUMER CREDIT, AND INTEREST RATES	63. Define *credit* as a promise to pay in the future for goods, services or money received now.	**255–258**
	64. Compare saving with a financial institution to saving at home.	**27**
	65. Define *interest* as money paid for the use of money.	**252**
	66. List some advantages of using credit.	**0**
	67. List some disadvantages of using credit.	**0**
	68. Identify some credit plans and sources that may be used for consumer purchases.	**232, 235, 239–243, 255–259**
	69. Identify the importance of credit ratings and their effect on the consumer.	**246–247**
	70. Classify financial institutions, such as banks, savings and loan, and other credit institutions, according to the services they provide.	**258–260**
#O — SELECTION, USE, AND CARE OF GOODS AND SERVICES	71. Identify factors to be considered when selecting a consumer good or service.	**28–33**
	72. State reasons why a higher price does not necessarily indicate better quality.	**0**
#P — CONTRACTS, WARRANTIES, AND GUARANTEES	73. Name some of the basic provisions contained in warranties and guarantees.	**0**
#Q — CONSUMERS EDUCATION, RIGHTS, AND RESPONSIBILITIES	74. Identify some benefits of consumer education to the consumer.	**270**
	75. Identify rights and responsibilities of consumers while interacting with providers of goods and services.	**270**
#R — CONSUMER LEGISLATION, REGULATION, AND SERVICES	76. Name some consumer protection agencies, institutions, or organizations (public or private) that provide sources of information and deal with specific consumer problems.	**270**
	77. Identify some advantages of consumer protection laws to consumers.	**270**
	78. Identify some disadvantages of consumer protection laws to consumers.	**0**
#S — INSURANCE	79. Define *insurance* as the purchase of protection against loss.	**233, 273–274**
	80. State the principle that premiums which purchase insurance are based primarily on the degree of risk.	**0**
	81. Identify areas of protection covered by various types of personal insurance, such as automobile, health, life and home or property ownership.	**0**

TOPIC	OBJECTIVES — The student will:		PAGES IN OUR ECONOMY*
#T — GOVERNMENT FUNCTIONS (TAXATION, SPENDING, AND REGULATION)	82.	Define *taxes* as money paid by individuals and businesses to local, state or national governments to pay for goods and services.	**285–291**
	83.	Define *government regulations* as rules of conduct for consumers and producers.	**262, 264, 269**
	84.	Identify kinds of taxes individuals may be required to pay.	**286–291**
	85.	Define *regulatory agencies* as appointed or elected groups of individuals who are responsible for preparing and administering government regulations.	**269–272**
	86.	Identify the sources of government finance to include taxes, borrowing, increasing money supply, fees and other service charges.	**285–300**
	87.	Name some different kinds of goods and services provided by local, state and national governments.	**261–289, 296–300**
#U — FEDERAL RESERVE SYSTEM AND ROLE OF MONEY	88.	Identify how money serves as a medium of exchange.	**7**
#V — INTERNATIONAL TRADE AND MONETARY EXCHANGE	89.	Identify ways in which economic conditions in one country are influenced by economic conditions in other countries.	**19–20, 204–208, 214**

*The page references given indicate only one of several locations where each objective is addressed.

Georgia

MANDATE: The State Board of Education has mandated that "Every ninth grader entering in 1977 earn credit in economics/business/free enterprise before graduation." November, 1976

The rationale for the course Principles of Economics/Business/Free Enterprise is found in the commitment of the schools to contribute to the mental growth of their students while enabling them to become more useful and economically literate citizens whose decisions in the voting booth and in the marketplace will make the greatest possible contribution to the preservation of the American economic system.

COMPETENCIES: Learner outcomes in draft form have been identified by the Georgia State Board of Education.

LEARNER OUTCOMES	OUR ECONOMY
1. Explain the basic problem facing all societies.	**Pgs. 10–15**
2. List the three questions facing every economic system and describe how our society has organized to solve choice questions.	**Pgs. 10–15, 38–40**
3. Explain the interrelationships that exist among natural, human, and capital resources and human needs and wants.	**Pgs. 15–27**
4. Describe how specialization permits scarce resources to be more efficiently used and why it is important for both domestic and international economic activity.	**Pgs. 5, 71, 302–305**
5. Describe how prices are determined by the supply of and demand for each good, service, or factor of production.	**Pgs. 31–33**
6. Complete a decision-making exercise using a method of problem solving which has been designed for making economic choices.	**Pgs.40–48**
7. List the characteristics of the private enterprise system.	**Pgs. 307, 317–318**
8. Describe how the profit motive helps to determine resource allocation and distribution of income.	**Throughout**
9. Explain the relationship of the profit motive to the rewards for risk-taking.	**Pgs. 36–38**
10. Enumerate a variety of sources of funds for financing business enterprise.	**Pgs. 79, 37, 318, 128–130**
11. Identify the various forms of business organization and the advantage/disadvantage of each.	**Pg. 245**
12. Explain the role of competition in the private enterprise system and list its benefits to consumers.	**Pgs. 14, 33–36, 130–131, 252–253**
13. Describe the role of savings and investment in capital formation and relate its significance to levels of production.	**Pgs. 26–27, 314, 213, 79, 128–130, 168, 79**
13. Describe the role of savings and investment in capital formation and relate its significance to levels of production.	**Pgs. 26–27, 314, 213, 79, 128–130, 168, 79**
14. Explain how the advancement of technology increases productivity, benefits the consumer, and stimulates the growth of the economy.	**Pgs. 23–25, 36, 77, 167, 310–312**
15. Describe the various types of market structures with regard to number firms, level of competition, type of products, and determination of prices by competitive or non-competitive processes.	**Pgs. 6–8, 28–36, 130–131**
16. Describe the role of prices in allocation of resources and goods and services.	**Pgs. 30–36, 75, 89–93, 123, 130–131, 185, 200, 214, 319**
17. Explain the relation between price and quantity of goods demanded and supplied.	**Pgs. 30–36**
18. Discuss how the productivity of labor, capital, land, and enterpreneurship helps to determine the incomes to each of the factors of production.	**Pgs. 15–27** **Throughout case studies**
19. Discuss the effects of unionization on income distribution and resource allocation.	**0**
20. Describe the role of money and the effects on economic activity of increasing or decreasing the quantity of money in a private enterprise economy.	**Pgs. 219–260**
21. Investigate career opportunities by studying the current and future availability of jobs in various industries, professions, and the public sector.	**Pgs. 310–312 (limited)**
22. Analyze the skill requirements for various job choices and assess the personal qualification, education, and training required to successfully acquire and retain these jobs.	**Examples of jobs throughout**
23. Analyze distribution of income among various skill levels and relate how changes have occurred over a specific period of time.	**Pgs. 272–276, 310–312**

LEARNER OUTCOMES	OUR ECONOMY
24. Compare and contrast the principles, purposes, characteristics and effects of various kinds of taxation.	**Pgs. 285–300**
25. Discuss several effects of government regulations on consumers and producers in the American economy.	**Pgs. 261–276, 284–285, 294–298**
26. Looking at the history of American economic development, state the rationale for the federal government's assuming a role in helping to stabilize the economy.	**Pgs. 294–298, 308–310**
27. Explain how economic specialization promotes foreign trade and world interdependence.	**Pgs. 20, 204–208, 214**
28. Differentiate among the traditional, command, market and mixed economic systems with regards to: a. ownership of property b. distribution of income c. role of government d. economic incentives	**Pgs. 38–40, 266–267, 296–298, 305–310**
29. Describe the structure organization of the Federal Reserve System and list its main functions with regard to monetary policy.	**Pgs. 228–232**
30. State what Gross National Product measures.	**0**
31. Describe the role of savings and investment in capital formation and growth.	**Pgs. 26–27, 79, 128–130, 168, 213, 314, 318**
32. Describe the impact of inflation on the economic decisions of business and households	**Pgs. 224, 308–310**
33. Describe how the federal government's taxation and expenditure policies affect inflation and employment.	**Pgs. 294–296**

Idaho

MANDATE: State Board

Consumer Economics: This course shall be a *one semester course* provided at the high school level and shall follow the State Department of Education's guidelines for Consumer Economics. The course may be taught under Business, Social Studies, or the Home Economics departments, or may be combined under any one or two or these departments. The teachers shall have at least nine quarter hours or six semester hours of preparation in Economics and meet the other requirements as set forth in the present Accreditation Standards and Procedures for Secondary Schools. It states that teachers must have a "minimum of sixteen semester hours or twenty-four quarter hours of college preparation in each assigned major subject area, and a minimum of six semester hours or nine quarter hours in the assigned specific subject. . ."

Consumer Economics: A practical and theoretical course with a focus on critical analysis of consumer issues. The course will introduce students to basic economic structures and theories. Course shall include practical skills involving money management issues such as income tax, credit, banking, investments, insurance, comparative buying decisions on major purchases such as home or car, and comparison shopping on a day-to-day basis.

Consumer Economics: The purpose of consumer economics is to give students some practical skills in money management, wise consumer purchasing, and decision making regarding financial security. The course will introduce students to basic economic structure and theories and give them an appreciation of the free enterprise system. The State Board of Education requires one credit of this subject for high school graduation.

COMPETENCIES: *Consumer Economics Guide for Idaho Public Schools* suggests competencies to be achieved.

Illinois

MANDATE: Legislation

To develop more informed and effective citizenship with personal economic competence, in 1967 the Seventy-fifth General Assembly passed and the Governor approved Senate Bill 977 which amended *The School Code of Illinois* (Section 27–12:1) requiring instruction in Consumer Education. This legislation, amended in 1975 and 1977, reads as follows:

> "Pupils in the public schools in grades 8 through 12 shall be taught and be required to study courses which include instruction in consumer education, including but not necessarily limited to installment purchasing, budgeting, comparison of prices, and an understanding of the roles of consumers interacting with agriculture, business, labor unions, and government in formulating and achieving the goals of the mixed free enterprise system."

Rationale

The general concept of consumer education is preparation for wise and responsible citizenship. Students should be made to feel that they are "living" now as truly as are adults; that their school is helping them live now more rewardingly; and that with each day and with each dollar they spend they are learning to build a better future for themselves and others. Students need to explore, think about, and discuss what they want for others as well as for themselves. Young people today, perhaps as never before, have a real need to understand personal, economic, and social values. They need to understand and appreciate the democratic processes.

Amended in 1980 to apply to grades 9–12 only.

COMPETENCIES: None prescribed.

Kentucky

Mandate: Section 8. A new section of KRS Chapter 158 is created to read as follows:

The Department of Education shall administer the Consumer Education Act of 1974, pursuant to regulations adopted by the State Board of Education. In administering this Act, the Department of Education shall take into consideration the advice of the Secretary of Consumer Protection and Regulation or his designated representative, the State Consumer Advisory Council, and the Consumer Protection division of the office of the Attorney General.

Section 9. A new section of KRS Chapter 158 is created to read as follows:

(1) Instruction in consumer education shall be conducted in the elementary and secondary schools in conjunction with courses in any appropriate area of study.

(2) Such instruction shall be sequential in nature and suited to meet the needs of the students at their respective grade level.

Section 10. A new section of KRS Chapter 158 is created to read as follows:

The Department of Education shall develop a comprehensive statewide program in consumer education by assuming the following functions:

(1) Assist in the development of model curricula for the public schools in consumer education;

(2) Identifying innovative teaching methods for the instruction of consumer education in the public schools;

(3) Develop methods of evaluating the effectiveness of instruction in consumer education;

(4) Assist school districts in conducting teacher in-service education programs on consumer education;

(5) Assist teacher education institutions in the development of courses on consumer education; and

(6) Administer pilot projects on consumer education in the schools and conduct teacher in-service education.

Section 11. A new section of KRS Chapter 158 is created to read as follows:

The Department of Education shall develop and establish a consumer education training program for public school teachers and administrators to provide training at the local district level.

Section 12. A new section of KRS Chapter 158 is created to read as follows:

The governing board of each local school district shall adopt a policy regarding consumer education programs by resolution in accordance with guidelines approved by the State Board of Education and consistent with the provisions of this Act, specifying among other things, the curriculum to be utilized in teaching consumer education, provisions for in-service training and curriculum assistance to teachers.

Competencies: Developed by local school districts.

Louisiana

Mandate: One-half unit on the essentials and benefits of the free enterprise system is required for graduation. ". . . that all public high schools shall give instruction on the essentials and benefits of the free enterprise system in which each student will participate in as a prerequisite to graduation." Act 83 of the 1975 Louisiana Legislature.

Competencies: None specifically stated. Bulletin 1480 provides a course of study for the free enterprise course grade 11 or 12. A correlation of *Our Economy* with the course outline for the free enterprise course follows.

Louisiana

AN ACT

To amend Title 17 of the Louisiana Revised Statutes of 1950 by adding

thereto a new section to be designated as Section 274 thereof, relative to required courses of study in public high schools, to provide that all public high schools shall give instruction in the essentials and benefits of the free enterprise system and by adding thereto a new Section to be designated as Section 274.1 thereof relative to a required course in civics, to prescribe the duties of the State Board of Elementary and Secondary Education, the State Department of Education and the various local school boards of the state with regard to such program, and otherwise to generally and specifically provide with respect thereto.

Be it enacted by the Legislature of Louisiana:

Section 1. Sections 274 and 274.1 of Title 17 of the Louisiana Revised Statutes of 1950 are hereby enacted to read as follows:

274. Essentials and benefits of free enterprise system; required course

A. All public high schools shall give instruction on the essentials and benefits of the free enterprise system in which each student shall participate as a prerequisite to graduation, beginning with students who graduate during or after the 1977–1978 school session. Instruction shall be given in accordance with the course of study prescribed by the State Board of Elementary and Secondary Education for at least one semester or quarter, equal to one-half unit of credit. The State Board of Elementary and Secondary Education shall prescribe suitable teaching materials for the instruction.

B. As used in this Section "free enterprise" means an economic system characterized by private or corporate ownership of capital goods, by investments that are determined by private decision rather than state control and by prices, production, and the distribution of goods that are determined in a free manner. Instruction required herewith shall emphasize the positive values of profit and competition in a free economy and the enhancement of the worth and dignity of the individual under such a system.

C. The State Board of Elementary and Secondary Education shall adopt regulations to insure instruction required herewith is given to all pupils in all public high schools and local boards of education of every city, parish and school district of this state shall schedule such instruction in accordance with said regulations of the State Board of Elementary and Secondary Education. Inservice training programs shall be provided each year by the State Department of Education to assist teachers who give instruction on the free enterprise system.

D. The State Department of Education shall, at least thirty days prior to each regular session of the legislature subsequent to the effective date of this Section, transmit to the members of the State Board of Elementary and Secondary Education, the president of the Senate, the speaker of the House of Representatives and the chairmen of the Senate and House Education Committees, a report as to the status of the free enterprise education program together with any recommendations for further improvement or additional legislation needed.

274.1 Civics; required course

All public high schools shall give instruction in a course in civics as a prerequisite to graduation, beginning with students who graduate during or after the 1977–1978 school session. Instruction shall be given in accordance with the course of study prescribed by the State Board of Elementary and Secondary Education for at least two semesters, equal to one unit of credit. The State Board of Elementary and Secondary Education shall prescribe suitable teaching materials for the instruction.

Section 2. If any provision or item of this Act or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this Act which can be given effect without the invalid provisions, items or applications, and to this end the provisions of the Act are hereby declared severable.

Section 3. All laws or parts of laws in conflict herewith are hereby repealed.

COURSE OUTLINE	OUR ECONOMY
UNIT ONE — THE AMERICAN FREE ENTERPRISE SYSTEM HERITAGE	
I. The relationship of the American Free Enterprise System to the American Way of Life	**Throughout**
II. Basic Values Underlying the American Way of Life	**Throughout**
UNIT TWO — CHARACTERISTICS OF THE AMERICAN FREE ENTERPRISE SYSTEM	
I. The Basic Characteristics	**Throughout**
II. Other Forces as Exceptions to the Basic Characteristics of American Free Enterprise	**Throughout**
III. Interrelationships of the Characteristics of American Free Enterprise	**Throughout**
UNIT THREE — THE NATURE OF THE AMERICAN ECONOMY AS A FREE ENTERPRISE SYSTEM	
I. Concept of Scarcity	**Pg. 12**
II. Structure of the American Economy	**Pgs. 28–38, 301–319**
III. Economic Conditions	**Pgs. 223, 230, 297, 308–310**
IV. Goals of the American Economy	**Pgs. 306–310**
UNIT FOUR — THE ROLE OF BUSINESS IN THE AMERICAN FREE ENTERPRISE SYSTEM	
I. Definition of Business	**Chapters 2, 3, 4, 5 and 6**
II. Objectives of Business	**Chapters 2, 3, 4, 5 and 6**
III. Organization of Business	**Pg. 245**
IV. Functions of Business in the Free Enterprise System	**Chapters 2, 3, 4, 5 and 6**
UNIT FIVE — THE ROLE OF THE INDIVIDUAL IN THE AMERICAN FREE ENTERPRISE SYSTEM	
I. The Role of the Individual as a Consumer	**Pgs. 28–36, 270**
II. The Role of the Individual as a Producer	**Chapters 2, 3, 4, 5 and 8**
III. The Role of the Individual as a Citizen	**Throughout**
UNIT SIX — THE ROLE OF LABOR IN THE AMERICAN FREE ENTERPRISE SYSTEM	
I. The Role and Characteristics of Labor	**Pgs. 12, 15, 18–19, 127–128, 168, 310–312**
II. The Labor Market	**Pgs. 32–33 (Examples of jobs throughout)**
III. The Role of Labor Organizations	**0**
UNIT SEVEN — THE ROLE OF GOVERNMENT IN THE AMERICAN FREE ENTERPRISE SYSTEM	
I. As a Producer	**Chapter 7**
II. As a Regulator	**Chapter 7**
III. As a Consumer (Spender)	**Chapter 7**
IV. As an Employer	**Chapter 7**
UNIT EIGHT — THE LEGAL AND ETHICAL FRAMEWORK WITHIN WHICH FREE ENTERPRISE OPERATES	
I. National and State Legal Structures	**Chapter 7**
II. Legal Foundations	**Chapter 7**
III. Ethical Considerations	
IV. Antitrust Legislation	**Pgs. 33–36, 269–270**
UNIT NINE — PERSISTENT ISSUES AND PROBLEMS OF THE AMERICAN FREE ENTERPRISE SYSTEM	**Pgs. 227, 230, 284–285, 294–295, 307–317**
UNIT TEN — THE AMERICAN FREE ENTERPRISE SYSTEM AND OTHER ECONOMIC SYSTEMS IN THE WORLD	
I. Types and Characteristics of Other Economic and Business Systems in the World	**Pgs. 38–40**
II. International Trade and the American Free Enterprise System	**Pgs. 203, 214, 268**
UNIT ELEVEN — BENEFITS AND FUTURE OF THE AMERICAN FREE ENTERPRISE SYSTEM	**Throughout**

Maryland

MANDATE: None [*See Addendum*, p. 64]

COMPETENCIES: None. A Framework for Social Studies (K–12) in Maryland is now in draft form. This Framework will guide local districts in developing their social studies programs. Subgoals and objectives have been identified for economics. A correlation of *Our Economy* and the objectives to be met in the middle years (grades 6, 7 and 8) follows.

Maryland

SUBGOALS AND OBJECTIVES FOR MIDDLE YEARS (Grades 6–8)	OUR ECONOMY
2.1 Understand how the scarcity of resources and unlimited wants requires choices by consumers, producers, and government.	
During the middle years, students will:	
1. Illustrate how the United States has limited resources and unlimited wants.	**Pgs. 10–30, 310–16**
2. Evaluate government policies in terms of the tradeoffs among such goals as full employment, economic growth, environmental quality, and economic justice.	**Pgs. 262–285, 294–298, 306–316**
3. Analyze advertising to distinguish information from emotional appeals.	**Pgs. 73, 89, 106, 253**
2.2 Understand economic specialization, exchange and interdependence within America and internationally.	
During the middle years, students will:	
1. Describe how regional differences foster economic specialization and interdependence.	**Pgs. 5, 304–305**
2. Give examples showing how specialized activities require various forms of exchange.	**Pgs. 6–8, 225–228**
3. Describe some of the effects of buying things made in other countries	**Pgs. 204, 214**
2.3 Understand the historical development and present functioning of America's market economy.	
During the middle years, students will:	
1 Illustrate how price changes influence decisions of business and consumers.	**Pgs. 30–36, 75, 85, 89–93, 130–131, 150, 185, 200, 214, 319**
2. Describe what business competition, profit, and free enterprise mean and how they are related.	**Pgs. 14, 33–36, 79, 194, 200–201, 244, 252–253, 269–270, 297**
3. Describe some of the characteristics of an agrarian and industrial economy.	**Pgs. 4–5, 8–9**
4. Discuss the effects of climate on agricultural and industrial productivity.	**Pgs. 19–23, 56–69, 99–104, 210**
2.4 Understand the historical development and present functioning of government monetary, taxation, and regulatory policies.	
During the middle years, students will:	
1. Discuss the business cycle in terms of employment, total production, and inflation.	**Pgs. 223–224, 230–232, 283–285, 308–310**
2. Describe some of the things for which governments spend and tax.	**Pgs. 261–269, 272–291, 296–300**
3. Describe how different types of government regulation affect business.	**Pgs. 262, 264, 269–272, 319**
2.5 Understand the factors that have contributed to American economic growth.	
During the middle years, students will:	
1. Relate American industrial centers to natural resources, industrial technology, and transportation technology.	**Pgs. 19–23, 66–67, 195–199, 304–305**
2. Discuss some of the characteristics if a good businessperson.	**Examples Throughout**
3. Give examples of legislation which has aided or hindered economic growth.	**Pgs. 269–285**

SUBGOALS AND OBJECTIVES FOR MIDDLE YEARS (Grades 6–8)	OUR ECONOMY
2.6 Understand the historical development and contemporary roles of labor unions.	
During the middle years, students will:	
1. Describe the role of past and present labor leaders in organizing unions.	**0**
2. Discuss several functions of union organizations.	**0**
3. Identify the advantages that individuals can derive from work.	**Examples Throughout**
4. Identify work roles that a community depends upon for safety and health reasons.	**Pgs. 261–269**
5. Describe issues between labor and management.	**Pg. 271**
2.7 Understand the history and modern economic characteristics of local communities and Maryland.	
During the middle years, students will:	
1. Describe the different major crops produced in Maryland in the past.	**0**
2. Discuss the reasons why certain areas of Maryland are more conducive to one crop than another.	**0**
3. Describe the value of the Port of Baltimore to the state's economy.	**0**
4. Illustrate how the changing transportation systems affected industry in Maryland.	
5. Describe the impact an industry has on jobs and services when locating in a community.	**Implied through the case studies**

Mississippi

MANDATE: "The purpose of this Act is to insure the development of a comprehensive economic education program of grades one (1) through twelve (12) in the schools of this state. This would include the inclusion of basic economic principles with the social studies curriculum providing a balance with the basic principles of the other social sciences."
Statute 1976.
(Infusion 1–12)

COMPETENCIES: None specifically prescribed.
Prescription for Economic Literacy in Mississippi's Schools published by the Mississippi State Department of Education contains suggested content for infusing economics.

APPENDIX I: SENATE BILL NO. 2646 (1976 MISSISSIPPI LEGISLATURE)

AN ACT TO PROVIDE FOR THE IMPLEMENTATION OF ECONOMIC EDUCATION INTO THE SOCIAL STUDIES OR BUSINESS STUDIES OR CONSUMER HOMEMAKING STUDIES CURRICULUM OF GRADES 1 THROUGH 12; TO DESIGNATE THE STATE DEPARTMENT OF EDUCATION AS THE AGENCY RESPONSIBLE FOR THE IMPLEMENTATION OF ECONOMIC EDUCATION INTO THE PUBLIC SCHOOLS; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. The purpose of this act is to insure the development of a comprehensive economic education program of grades one (1) through twelve (12) in the schools of this state. This would involve the inclusion of basic economic principles with the social studies curriculum providing a balance with the basic principles of the other social sciences.

SECTION 2. It is the legislative intent that this program shall teach a positive understanding of the American economy and the free enterprise system, how it functions and how the individual can function effectively within our economy as a consumer, worker and voter.

SECTION 3. The State Department of Education shall administer this act pursuant to regulations adopted by the State Board of Education. Support shall be provided by the state colleges and universities in the preparation of teachers to carry out the provisions of this act. These institutions are also encouraged to establish formal Economic Education Centers to assist the schools with curriculum planning, in-service training and further work in the development of instructional materials.

SECTION 4. In administering this act, the State Department of Education shall be governed by the following:

(1) Implement in-service education programs for teachers, administrators, and other personnel. General guidelines will be provided by the Mississippi State Department of Education. Supplementary in-service teacher education materials shall be developed and made available to all school districts by the State Department of Education;

(2) Implement provisions of this act in the most expeditious manner possible, commensurate with the availability of teacher personnel;

(3) Encourage local school system evaluation of the effectiveness of the economic education program prescribed by this act; and

(4) Cooperate with the state colleges and universities in developing programs and short course workshops for the preparation of economic education teaching personnel.

SECTION 5. The Mississippi State Department of Education shall adopt regulations to insure the teaching of economic education to all pupils. The Board of Education of every school district of this state shall include economic education in social studies or business studies or consumer homemaking studies as part of the curriculum of every elementary and secondary school, on following schedule: Grades one (1) through three (3) by the 1978–79 school year; grades four (4) through six (6) by the 1979–80 school year; grades seven (7) through nine (9) by the 1980–81 school year; and grades ten (10) through twelve (12) by the 1981–82 school year.

SECTION 6. The State Department of Education is hereby designated as the state agency responsible for the administration and supervision of the economic education program.

SECTION 7. This act shall take effect and be in force from and after its passage.

SUGGESTED ECONOMIC CONTENT, GRADES 5–8	OUR ECONOMY
Economic Systems	**Pgs. 38–40**
Traditional	**Pgs. 38–40**
Command	**Pgs. 38–40**
Market	**Pgs. 38–40**
Mixed Economy:	**Pgs. 305–306**
Scarcity, Wants Resource Gap	**Pgs. 11–12**
Role of Prices	**Pgs. 30–36, 75**
Price determination	**Pgs. 31–33**
Government and the Markets	**Pgs. 29, 34–36, 261–300, 319**
Economic Growth	**Pgs. 205–212, 308–310**
Wants	**Pg. 11**
Resources	**Pgs. 12, 15–27**
Scarcity	**Pgs. 12, 40–41**
Choice Making	**Pgs. 16, 28–40**
Opportunity Cost	**Implied Throughout**

SUGGESTED ECONOMIC CONTENT, GRADES 9–12	OUR ECONOMY
1. Personal Economic Goals Well-being, security, advancement, fulfillment, responsibility, justice)	**Pgs. 306–312, 317–318**
2. Societal Economic Goals (Efficiency, growth, security, stability, freedom, justice)	**Pgs. 307–310**
3. The Economic Problem (Scarcity, allocation process, opportunity cost)	**Pgs. 10–27**
4. Economic Activities (Goods and services)	**Pgs. 6, 23, 10–15, 266, 276–277**
5. Production (Factors, productivity, diminishing returns, organization)	**Pgs. 10–29, 53–218**
6. Exchange (Specialization, trade, comparative advantage, interdependence)	**Pgs. 5–8, 221–222, 302–305**
7. Market (Supply and demand, competition, pricing)	**Pgs. 6–8, 29, 31–33**
8. Distribution (Transportation, communication, merchandising)	**Pgs. 15, 71–72, 195–199, 304**
9. Standard of Living (Economic values, comparative economic systems)	**Pgs. 8–10, 38–40, 306–316**
10. Consumption (Values, budgeting, spending, saving, borrowing, investing)	**Pgs. 28–36, 79, 128–130, 232, 235, 239–243, 246–247, 255–259, 270, 314, 318, 320**
11. Role of Government (Production, regulation, taxation)	**Pgs. 261–300**
12. Distribution of Income (Wages, profits, interest, rent)	**Pgs. 243–244, 273–274, 307, 317**
13. Circular Flows (Production, monetary, taxation, stability)	**Presented Throughout**
14. Institutions (Household, production, financing, marketing, servicing, associations)	**Presented Throughout**
15. Issues (Use, conservation, and development of human, natural and capital resources; sharing of responsibilities and returns; means-ends; dealing with change	**Pgs. 15–27, 306–318**

Missouri

MANDATE: None

COMPETENCIES: The State Board of Education requires that all public school districts in Missouri administer the *Basic Essential Skills Test* (BEST) to eighth graders each year. The purpose of administering the test to eight graders is to identify students who may be having difficulty with basic skills while there is still time to assist these students in problem areas. The BEST includes subtest in three areas: Reading/Language Arts, Mathematics, and Government/Economics. A correlation of *Our Economy* with the economics objectives for BEST follows.

MISSOURI BASIC ESSENTIAL SKILLS TEST (BEST)

OBJECTIVES	OUR ECONOMY
7. Understand basic factors related to the production of goods and services.	**Throughout Case Studies**
Indicators:	
Given a term related to the production of goods and services, recognize an example or examples of the term or recognize the statement that best describes the term. (Such terms include producer, consumer, investor, labor or workers, capital goods, which are used to produce goods and services; and natural resources.)	**Pgs. 12, 15, 18–27, 29, 266–296, 130–131, 314**
Given a question asking what a specific producer needs to produce a specific good or service, recognize what inputs are needed. (Such inputs would include specific examples of labor, raw materials, and capital goods.)	**Pgs. 18–27 (Throughout Case Studies)**
Given a change in the cost of one factor of production (a production input), recognize a likely consequence.	**Pgs. 89–93, 123, 130–131, 186, 200–214**
8. Understand and be able to apply basic information about how private business functions in the United States.	**Chapters 2, 3, 4, 5 & 6**
Indicators:	
Given a question asking for examples of privately owned businesses in the United States, recognize appropriate examples.	**Pgs. 53, 120, 138, 201, 236 (numerous others)**
Given a question asking how specific private businesses obtain money to produce goods and services, recognize the appropriate response(s).	**Pgs. 16, 37, 79, 128–130, 239–243, 313–314**
Given a decision a person in a business makes concerning the operation of his or her business, identify probable consequences. (The consequences relate to opportunity costs or the loss of the opportunity to use a resource for other purposes once the resource is used for one purpose.)	**Pgs. 16–17, 60–62**
9. Understand and be able to apply basic information about how the government functions in the U.S. economy.	**Chapter 7**
Indicators:	
Given a question pertaining to how a U.S. government (federal, state or local) raises money to provide goods and services, recognize correct responses.	**Pgs. 285–294, 299**
Given a particular problem in the economy, recognize a government policy that could be used to alleviate the problem.	**Pgs. 266–276, 284–285, 294–296**
Given a specific government activity that affects the economy, recognize probable consequences.	**Throughout Chapter 7**
10. Predict how one change in an economy will result in other changes.	**Pgs. 28–38**
Indicators:	
Given a specific change in the supply or demand for a specific good, service, or job skill, recognize how the price of the good, service, or skill would probably change.	**Pgs. 28–38**
Given a situation in which a company's profits are high or are low, recognize probable results.	**Pgs. 36–38, 114, 200–201**
Given a description of a major change in demand or in the level of competition, recognize probable results.	**Pgs. 30–36**

OBJECTIVES	OUR ECONOMY
11. Be able to use rational thought processes when making simple, personal economic decisions.	**Pgs. 28–38, 317–318**
Indicators:	
Given a situation in which a person is making an economic decision, identify factors relevant to the decision.	**Pgs. 28–38, 317–318**
Given a situation in which a person is about to make an economic decision, recognize effective ways to gather information about the options.	**Pgs. 28–38, 317–318**
Given a situation in which a person is about to make an important economic decision, recognize results that would be likely to follow. (Such important decisions include purchase of expensive items, signing contracts, and borrowing money.)	**Pgs. 28–38, 40–46, 239–243, 84–86**
12. Recognize the rights and responsibilities of consumers.	**Pg. 270**
Indicators:	
Given a description of a purchase agreement a consumer has made, recognize the consumer's responsibilities or what results follow when a consumer fails to fulfill his or her responsibilities.	**0**
Given a description of a grievance a consumer has, recognize an effective way to redress a grievance.	**0**
Given a description of an action by a business that is illegal or that violates a consumer's rights, recognize appropriate consumer actions. ("Consumer rights" in this case refers to the rights to choose, to safety, and to be informed, and to be heard.)	**0**
13. Have basic understanding related to the use and handling of money and to simple personal investments.	**Pgs. 222–260**
Indicators:	
Given a description of how much money one person wants to pay another person by check, recognize a check and stub that is properly written.	**Pgs. 228, 234–235, 250–251**
Given a description of a kind of need a person has that can be met by a bank, a savings and loan, an insurance company, or the stock market, indicate in general how the need can be met (for example, by a savings account, by using a safe deposit box, by investing in the stock market, by buying insurance, etc.).	**Pgs. 232–243, 255–260**
Given a description of a situation in which a consumer plans to borrow money or save money, indicate that the consumer has the option of comparing interest rates, for they may differ from place to place.	**Pgs. 239–243, 246–248, 252–253, 255–260**

North Carolina

MANDATE: "Instruction in the free enterprise system at the high school level, its history, theory, foundation, and the manner which it is actually practiced."
Statute 1975

COMPETENCIES: Economics is included in the competency goals and performance indicators for the state.

Copy of GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 1975 RATIFIED BILL Chapter 65

SENATE BILL 126

AN ACT TO AMEND CHAPTER 115 OF THE GENERAL STATUTES TO *REQUIRE INSTRUCTION IN THE FREE ENTERPRISE SYSTEM* IN THE PUBLIC HIGH SCHOOLS OF THE STATE.
The General Assembly of North Carolina enacts:

Section 1. G.S. 115-37 is amended by rewriting the same as follows: "115-37. *Subjects taught in public schools.*— County and city boards of education shall provide for the efficient teaching in each grade of all subjects included in the outline course of study prepared by the State Superintendent of Public Instruction, *which course of study at the appropriate grade levels shall include instruction in* Americanism, government of the State of North Carolina, government of the United States, fire prevention, harmful or illegal drugs, including alcohol, *and the free enterprise system at the high school level, its history, theory, foundation, and the manner in which it is actually practiced.* Nothing in this Chapter shall prohibit city or county boards of education from operating a nongraded system in which pupils are taught at their individual learning levels."

Section 2. The second sentence of the second paragraph in G.S. 115-198 is amended by deleting at the end thereof the period and adding the following punctuation and words ", and the free enterprise system at the high school level."

Section 3. This act shall become effective beginning with 1975–76 school year.

In the General Assembly read three times and ratified, this the 20th day of March, 1975.

North Carolina

COMPETENCY GOAL	OUR ECONOMY
1. The learner will know basic economic concepts and possess the vocabulary to express them.	**Throughout**
2. The learner will know the theory and practice of the private enterprise system of economics.	**Throughout**
3. The learner will know and apply basic information about basic relationships between government and the economy in the United States.	**Chapter 7**
4. The learner will know basic rights and responsibilities of consumers.	**Pgs. 246–247, 270**
5. The learner will understand contemporary economic issues and problems.	**Pgs. 211–212, 223, 230–232, 294–296, 309**
6. The learner will know similarities and differences among economic systems.	**Pgs. 38–40 Chapter 8**
7. The learner will know the historic development of economies and will compare and contrast contemporary economic systems in terms of their efficiency, the economic freedom of citizens, and the degree to which they are controlled by governments or small groups.	**Chapters 1, 7 and 8**

Oklahoma

MANDATE: Provides for the vertical integration of economic education with other social science disciplines. "The purpose of this Act is to insure the development of a comprehensive economic education program for all children in kindergarten and grades 1 through 12 in the public schools of this state." Economic Education Act of 1974 (Infusion K–12)

COMPETENCIES: None. The *Economic Education Curriculum Guide* was developed by the State Department of Education as an abbrevated "Educational Roadmap" for integrating illustrative economic ideas and related learning activities in the school curriculum. The Guide's function is to aid school districts in developing programs to implement the mandate.

Oklahoma's Economic Education Legislation Act

ENGROSSED SENATE BILL NO. 499

AN ACT RELATING TO EDUCATION; CREATING THE ECONOMIC EDUCATION ACT OF 1974; DEFINING TERMS; STATING PURPOSE; PRESCRIBING DUTIES OF THE STATE BOARD OF EDUCATION, THE STATE DEPARTMENT OF EDUCATION, THE BOARDS OF EDUCATION OF SCHOOL DISTRICTS AND INSTITUTIONS OF HIGHER EDUCATION; ESTABLISHING TIME SCHEDULE; ALLOWING FOR USE OF AVAILABLE FUNDS; REQUIRING REPORTS; AND DECLARING AN EMERGENCY.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. This act shall be known and may be cited as the "Economic Education Act of 1974."

SECTION 2. As used in this act, the term "economic education" means citizenship competencies needed by the individual for effectively performing his decision-making roles as a consumer, a worker making career choices and a political voter on personal and societal economic issues.

SECTION 3. The purpose of this act is to insure the development of a comprehensive economic education program for all children in kindergarten and grades 1 through 12 in the public schools of this state. It is the legislative intent that this program shall teach a positive understanding of the American economy, how it functions and how the individual can function effectively within our economy as a consumer, worker and voter. While dealing with economic problems and issues, the program shall teach the positive values of profit and competition in a basically free-enterprise economy which underscores the worth and dignity of the individual.

SECTION 4. The State Department of Education shall administer the comprehensive Economic Education Act of 1974 pursuant to regulations adopted by the State Board of Education. Support shall be provided by the state senior colleges and universities in the preservice preparation of teachers to carry out the provisions of this act. These institutions of higher education are also encouraged to establish formal Economic Education Centers to assist the common schools with curriculum planning, in-service training and further work in the development of instructional materials. In administering this section, the Department shall take into consideration the advice of the Oklahoma Council on Economic Education.

SECTION 5. In administering this act, the State Board of Education and the State Department of Education shall be governed by the following:

1. Implement in-service education programs for teachers, administrators and other personnel. General guidelines are provided by the Economic Education Curriculum Guide—K–12, published by the Oklahoma State Department of Education in 1972. Supplementary in-service teacher education materials which are based on individual performance and designed for use with a minimum of supervision shall be developed and made available to all school districts;

2. Implement provisions of this act in the most expeditious manner possible, commensurate with the availability of teaching personnel;

3. Implement local school system evaluation of the effectiveness of the economic education program prescribed by this act; and

4. Recommend degree programs and short course seminars for the preparation of economic education teaching personnel.

SECTION 6. The State Board of Education shall adopt regulations to insure the teaching of economic education to all pupils. The Board of Education of every school district of this state shall schedule the integration of economic education in social studies, business education, home economics and the other vocational courses as part of the curriculum of every elementary and junior and senior high school, on a minimum time schedule of kindergarten through grade 3 by the 1975–76 school year; grades 4 through 6 by the 1976–77 school year; grades 7 through 9 by the 1977–78 school year; and grades 10 through 12 by the 1978–79 school year.

SECTION 7. In implementing this act every effort shall be made to combine funds appropriated for this purpose with funds available from all other sources, federal, state, local or private, in order to achieve maximum benefits for improving economic education.

SECTION 8. The State Department of Education shall, at least thirty (30) days prior to the 1975 regular session of the Legislature and each resular session thereafter, transmit to the members of the State Board of Education, the President Pro Tempore of the Senate, the Speaker of the House of Representatives and the chairmen of the Senate and House Education Committees, a report as to the status of the economic education program together with any recommendations for further improvement, modification or additional legislation.

SECTION 9. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 13th day of March, 1974.

The Oklahoma Economic Education Act

What It Does

1. Recognizes that economic education is vital for effective citizenship in our democratic society.
2. Emphasizes competencies needed for citizenship as (1) a consumer, (2) a worker making job choices, and (3) a voter on personal and societal economic issues in a private enterprise economy.
3. Focuses on the public elementary and secondary schools with administration by the Oklahoma State Department of Education. Encourages teacher education support by the institutions of higher education.
4. Provides for vertical integration of economic education with the other social science disciplines at all grade levels over a period of four years.
5. The procedure and minimum level of emphasis will follow the general guidelines of the Economic Education Curriculum Guide—K–12, published by the State Department of Education in 1972. The minimum program will not require the purchase of other publications.
6. Provides for the blending of all facets of economic education into one pedogogically sound, integrated program.
7. The teaching guide provides ample opportunities for local community input to the learning experiences (through field trips, classroom speakers, community studies) etc. Economic education will build a base of understanding to support optimum economic development at the local and state levels.
8. The program will provide for better rapport between schools and their respective communities.
9. The program is endorsed by the major economic groups in Oklahoma.

What It Does Not Do

1. Does not require additional courses or blocks of time.
2. Does not fragment the curriculum.
3. Does not change the basic goals of the social science curricula.
4. Does not eliminate freedom for innovation at the local level.
5. There are no significant costs to the schools for the minimum economic education program.
6. Does not ask the teacher to do an impossible job. The teacher will have sufficient guidance for implementation of the minimum program with comparatively little effort. In-service assistance can be provided.

Oregon

MANDATE: State Board requires one unit (one year) of personal finance/economics for graduation. Each local district decides at what grade level (9–12) to place the course.

COMPETENCIES: State Board requires a record of demonstration of minimum competencies. Local boards shall determine their own level of minimum competency.

Oregon—Minimum Standards for Public Schools

Goals for Elementary and Secondary Education

(1) The Board, in response to the changing needs of Oregon learners, sets forth six goals for public schools.

(2) Conceived and endorsed by Oregon citizens, the statewide goals are designed to assure that every student in the elementary and secondary schools shall have the opportunity to learn to function effectively in six life roles: INDIVIDUAL, LEARNER, PRODUCER, CITIZEN, CONSUMER, and FAMILY MEMBER. Each goal suggests the knowledge, skills, and attitudes needed to function in these life roles.

(3) The statewide goals shall be implemented through the district, program and course goals of each local school district. These local goals are set by schools and communities together to fulfill a mutual responsibility for the education of every student. Because most of the knowledge and skills needed to function effectively in the role of LEARNER are acquired in school, the school has primary responsibility for helping students achieve this goal.

(4) Each school and its community should establish priorities among the goals to meet local needs, and allocate their resources accordingly. This process should provide each student with the opportunity to achieve the requirements for graduation from high school, and as much additional schooling as school and community resources can provide.

(5) Each individual will have the opportunity to develop to the best of his or her ability the knowledge, skills, and attitudes necessary to function as a (an):

(a) "Individual": to develop the skills necessary for achieving fulfillment as a self-directed person; to acquire the knowledge necessary for achieving and maintaining physical and mental health and to develop the capacity for coping with change through an understanding of the arts, humanities, scientific processes, and the principles involved in making moral and ethical choices;

(b) "Learner": to develop the basic skills of reading, writing, computing, spelling, speaking, listening, and problem-solving; and to develop a positive attitude toward learning as a lifelong endeavor;

(c) "Producer": to learn of the variety of occupations; to learn to appreciate the dignity and value of work and the mutual responsibilities of employees and employers; and to learn to identify personal talents and interests, to make appropirate career choices, and to develop career skills;

(d) "Citizen": to learn to act in a responsible manner; to learn of the rights and responsibilities of citizens of the community, state, nation, and world; to learn to understand, respect and interact with people of different cultures, generations and races;

(e) "Consumer": to acquire knowledge and to develop skills in the management of personal resources necessary for meeting obligations to self, family, and society;

(f) "Family Member": to learn of the rights and responsibilities of family members, and to acquire the skills and knowledge to strengthen and enjoy family life.

Oregon

Graduation Requirements

581-22-316 Each district school board with jurisdiction over high school programs shall award diplomas to all students who fulfill all school district requirements and all state requirements as described in the following sections and in district school board policies. A school district may award an alternative document to a student who has met some but not all of the graduation requirements.

(1) Unit of Credit Requirements

(a) Each student shall earn a minimum of 21 units of credit to include at least:

(A) Language Arts—3 (shall include the equivalent of 1 unit in Written Composition)
(B) Mathematics—1
(C) Science—1
(D) U.S. History—1
(E) Global Studies—1
(F) Government—½
(G) Health Education—1
(H) Physical Education—1
(I) Career Development—½
(J) Personal Finance and Economics—1
(K) Applied Arts, Fine Arts or Foreign Language—1 (one unit shall be earned in any one or a combination)

Course Description

Personal Finance and Economics

Each student will study materials in both content areas. Districts may develop various offerings designed to meet the needs of students, but in all cases the content must be directly identified with personal finance and economics.

Rhode Island

MANDATE: Legislation effective July 1, 1980, requires all students in the public school to study consumer education in each grade, 8–12. Its elements may be included in various subject matter courses now offered. Section 16-22-13 of the General Laws of Rhode Island.

COMPETENCIES: None. It is incumbent upon school administration to see that students' programs are planned to insure participation in a meaningful consumer education sequence.

The Commissioner interprets this Law to require all students in the public schools to study consumer education in each grade, 8 through 12. Consumer education need not be a separate course; its elements may be included in various subject matter courses now being offered. It is incumbent on the school administration to see that students' programs are planned to insure participation in a meaningful Consumer Education sequence.

South Carolina

MANDATE: State Board requires ½ unit of economics for graduation. It is permissable to teach economics in either the ninth, tenth, eleventh or twelfth grade. It is recommended that it be taught in the eleventh or twelfth grade.

COMPETENCIES: None. The state provides a framework of content to guide school districts. A correlation with *Our Economy* follows.

While it is permissable to teach economics in either the ninth, tenth, eleventh or twelfth grades, it is most adaptable for students in the eleventh or twelfth grade, especially if it is taught for only one semester. If there is a combination class including pupils from the ninth through the twelfth grades, it is recommended that it be taught for one year. Economics courses should emphasize the American economic system and the wiser use of personal resources.

Within this framework, content should include:

South Carolina

CONTENT	OUR ECONOMY
1. The historical background with emphasis on the necessity for studying economics.	**Pgs. 1–15, 47–55, 87–88, 97–99, 104–112, 139–143, 166, 174–178, 220–228, 236–239, 301–310**
2. Production and consumption of economic goods, and the laws governing these.	**Pgs. 9, 11–15, 31–33, 70–71, 283–284**
3. The types of business organization, how they are determined, and the government's growing regulatory role.	**Pgs. 245, 269–272, 284–285, 296–297**
4. The function of exchange; types of money, monetary systems, banks and banking; determination of prices; the necessity for savings, dangers of inflation; and the function of the Federal Reserve System.	**Chapter 6, Pgs. 30–38**
5. Public finance at the local, state and national levels with understandings of control (who?), sources (where?) and distribution of revenue (what?).	**Pgs. 285–294**
6. The American economy as compared with its competitors, with special emphasis on how American capitalism compares with communism in serving the people and other experiments in economic and social planning.	**0**
7. Personal or consumer economics and the role it plays in credit, banking, insurance, the standard of living, economic security, obtaining a home, education, and taxation.	**Pgs. 29, 130–131, 255–258, 266, 270, 296**
8. Economic issues evolving from labor-management relations, automation, agriculture, land costs, world trade, and the population explosion.	**Chapter 3, Pgs. 310–312; Examples of automation throughout**
9. The threats to free enterprise, emphasizing current economic trends.	**0**
10. Use of local resource personnel and field trips.	**Teacher's Guide.**

South Dakota

MANDATE: During the 1979 legislative session, a bill was passed requiring the teaching of free enterprise. The original bill required a separate free enterprise course. As amended, the legislation calls for instruction in the free enterprise system. "All public and non-public schools shall provide instruction on the essentials and benefits of the free enterprise system." Separate course or infusion is at the discretion of the local district. *South Dakota Economics/Free Enterprise Curriculum Guide* is available to guide local districts.

COMPETENCIES: None. The *South Dakota Economics/Free Enterprise Curriculum Guide* lists suggested descriptors to be considered for minimum curriculum emphasis. These "Descriptors for Economic Understanding" were developed by the Wisconsin Social Studies Curriculum Study Committee on Economic Education and also are used as a guide for curriculum development in that state.

South Dakota Free Enterprise Law

In the 1979 session of the South Dakota State Legislature HB 1245 mandating the teaching of free enterprise was passed and signed by the Governor.

The original bill required a separate free enterprise course and defined free enterprise. The following is the law after being amended by the legislature.

CHAPTER 13–33

CURRICULUM AND COURSES OF INSTRUCTION

13-33-12. All public and nonpublic schools shall provide instruction on the essentials and benefits of the free enterprise system. Instruction shall be given in accordance with guidelines prescribed by the state board of education. The state board of education shall prescribe a course of study for such instruction.

Enacted SL 1979, ch 121, § 1.

13-33-13. The cost of instruction required by § 13-33-12, except that of the state board of education in prescribing the course of study, shall be an expense of the school district involved.

Enacted SL 1979, ch 121, § 2.

SUGGESTED DESCRIPTORS TO BE CONSIDERED FOR *MINIMUM CURRICULUM EMPHASIS*	OUR ECONOMY
I. *The Basic Economic Problem*	
—Students shall be able to recognize understand that we have limited resources and relatively unlimited wants.	Pgs. 10–15
—Students should understand that without the scarcity problem, there would be no need to economize.	Pgs. 10–15, 28
—Students should understand that supply and demand is the central problem from which all other economic problems flow.	Pgs. 10–15, 28–33
—Students shall recognize and apply knowledge to maximize personal satisfaction in terms of limited resources.	Pgs. 28–33
—Students should recognize that as a result of supply and demand, decisions and choices must be made.	Pgs. 28–48
—Students should be able to understand the need for choices.	Pgs. 28–48
—Students should be able to understand the effects of personal economic choices.	Pgs. 28–48, 317–318
—Students should understand that because of insufficient income to satisfy all their wants, decisions must be made about the disposition of their income.	Pgs. 28–33
—Students should understand that every society must choose from various alternatives the ways in which they can best use their scarce resources.	Pgs. 1–3, 10–40, 310–317
—Students should be able to understand the basic questions of what to produce, how to produce, and for whom.	Pgs. 10–15
—Students should recognize that each economic system must answer these basic economic questions.	Pgs. 10–15
—Students should recognize that production which earns income, causes consumption.	Pgs. 36–38
—Students shall recognize that one's own (and others) value system help determine what will be produced.	Pgs. 28–30, 40–47
—Students shall recognize that available resources will help determine how production will take place.	Pgs. 15–30
II. *Economic Systems**	
—Students should understand the workings of the free enterprise system.	Throughout
—Students should understand how the private enterprise system differs from other economic systems.	Pgs. 38–40, 302–310
—Students shall understand the employment of limited resources in a private enterprise market economy.	Pgs. 28–40
—Students should be able to compre and contrast how economic decisions are made in other societies.	Pgs. 38–40, 302–310
—Students should understand the role of profit in the private enterprise system.	Pgs. 36–38, 79, 114, 194, 200–201, 244
III. *Resource Allocation and Income Distribution*	
—Students should understand that a market is a gathering of buyers and sellers to buy or sell goods or services and productive resources.	Pgs. 6–8, 28–30
—Students should be able to understand the forces of supply and demand in the marketplace.	Pgs. 30–33
—Students should understand the interaction of supply and demand in the determination of price.	Pgs. 30–33
—Students should understand that in any free enterprise system, competition is the regulator and the consumer is the determiner of what to purchase.	Pgs. 33–36
—Students should understand that we have several market structures, and imperfections in the marketplace do exist.	Pgs. 269–272
—Students should understand that certain goods and services necessitate government intervention.	Pgs. 34–36, 266–285, 296–297
—Students should understand that imperfections in the marketplace necessitate government intervention.	Pgs. 269–272, 296–297
—Students should understand the idea that specialization results in increased output of goods and services.	Pgs. 5, 71, 167–168, 302–305
—Students should understand the idea that through specialization there can be an increase in their consumption of goods and services and satisfaction of more wants.	Pgs. 5, 71, 167–168, 302–305

SUGGESTED DESCRIPTORS TO BE CONSIDERED FOR MINIMUM CURRICULUM EMPHASIS	OUR ECONOMY
—Students should understand that economic choices usually imply a trade off among desirable goals and that ends and means are important considerations in economic decision making.	Pgs. 28–30
—Students should understand the meaning of efficiency, productivity and stability especially in the workings of the private enterprise system and in comparison with other economic systems.	Pgs. 306–310
—Students should understand the importance of citizen participation at all levels of government, particularly as related to contact with elected representatives of the people.	0
—Students should understand that concepts of equity, justice, opportunity, fair play, and security all play a part in economic decision making as policies are formed.	Pgs. 266–276
—Students should understand the essential role and function of the individual consumer and his influence capability upon actions and policies.	Pgs. 28–38
—Students should understand that without orderly government *and* freedom of choice a private enterprise market economy could not function.	Throughout

*Learners should understand that some sort of economic arrangement exists in all political systems and in all societies. Learners should further understand the key importance of freedom, individual worth, and orderly government perceived to be the core of the American experience. That the democratic process and the private enterprise economic system have worked well is evidence which exists in fact.

However, unnecessary advocacy or propagandizing about the so-called free enterprise system is inappropriate. The American enterprise system can stand up to a careful and rational examination of the facts.

ECONOMIC EDUCATION, as perceived by the DESCRIPTOR writing group, is intended to deal with improving student understanding of economic systems and the likely application of economic decisions in everyday living . . . and learned in the course and flow of social studies education for all grades K through 12.

Tennessee

MANDATE: House Bill 742 (1974) 1/2 unit of combined free enterprise system and consumer economics is required for graduation. Students may meet the requirement by participating in Junior Achievement or Distributive Education. (A history of House Bill 742 follows.)

COMPETENCIES: Now being developed. The State Department of Education is in the process of studying and developing social studies objectives, with economics being one part. There are over 90 people on the committee. To date, over 150 objectives for the social studies have been proposed.

Tennessee

On August 10, 1973, the State Board of Education adopted a regulation requiring all students to earn ½ unit of credit in economics. The requirement applies to freshmen entering during the 1974–75 school year. The Board did not elaborate on the content of the course at the time of adoption.

The 88th General Assembly considered legislation concerning an economics course offering for high school students and on February 24, 1974, passed House Bill 742. The law reads:

> The State Board of Education shall establish a program of instruction for the public high schools on the essentials of the free enterprise system. Instruction shall be given in accordance with the course of study prescribed by the State Board of Education for at least one semester, equal to one-half unit of credit. The State Board of Education shall prescribe suitable teaching material for such instruction.
>
> As used in this section, "instruction on the essentials of the free enterprise system" may be construed to include a minimum of thirty (30) weeks participation in the Junior Achievement Program, and such participation shall render the student eligible for the one-half unit of credit granted under this section.
>
> As used in this section "free enterprise" means an economic system characterized by private or corporate ownership of capital goods, by investments that are determined by private decision rather than by state control, and by prices, production, and the distribution of goods that are determined in a free manner. (TCA 49-1928).

It should be noted that according to the records of the legislative debate and the author of House Bill 742, the course was to be made available on an elective basis to all students in the public schools of Tennessee.

At the April 5, 1974, meeting, the State Board of Education reacted to questions concerning the nature of the economics course. Some persons understood that consumer education was to be the thrust of the course because of Senate Joint Resolution No. 115 and Senate Joint Resolution 75 which stressed elements of consumer economics. The Board, however, had intended for the course to present the essentials of the free enterprise system. State Department of Education legal counsel recommended the Board ruling and the law be treated as one course. The Board agreed that elements of consumer economics may be included in order to provide a balanced program.

The Board's ruling is included in the *Rules, Regulations and Minimum Standards* as follows:

> One-half unit of instruction in economics is required for graduation and shall include but not be limited to a study of the fundamental principles of the free enterprise system and the factors that influence its function as well as rudiments of consumer economics preparing the student to be a more intelligent and responsible purchaser and user. (Rules, Regulations and Minimum Standards, 1974–1975, p. 54).

Economics was listed under graduation requirements as ½ unit required with an explanatory note as follows:

> Students may meet this requirement by:
> (1) One semester in Economics
> (2) Out-of-school experiences through Jr. Achievement
> (3) Distributive Education

This information was taken from a report entitled "Economics Requirements for Tennessee" by Ms. Leslie White, Social Studies Specialist, SDE, and Mr. Van Latture, Director, Year Round Schools, SDE.

Texas

MANDATE: Texas Education Code Section 21.120 "Require all Texas high schools to give instruction on the essentials and benefits of the American economic system effective September 1, 1987." (A ½ unit elective course on the fundamentals of the free enterprise system is offered by all high schools. A required economics/free enterprise course is expected by 1983.) "The State Board shall adopt regulations to insure the teaching of economic education to all pupils in grades 1–12 on a minimum time schedule of grades 10–12 by 1978–79 school year; grades 7–9 by the 1979–80 school year; grades 4–6 by the 1980–81 school year; and grades 1–3 by the 1981–82 school year." (Infusion K–12)

COMPETENCIES: *Social Studies Subgoals and Suggested Essential Student Objectives*, published by the Texas Education Agency, acts as a guide to local districts in establishing social studies subgoals and essential student objectives for their unique student populations. Suggested essential student objectives for economics K–12 are presented.

Texas

Be it enacted by The Legislature of the State of Texas:

Section 1. Chapter 21, Texas Education Code, as amended, is amended by adding Section 21.120 to read as follows:

Section 21.120. ECONOMIC EDUCATION. (a) This section shall be known and may be cited as the 'Economic Education Act of 1977.'

(b) As used in this section, the term 'economic education' means citizenship competencies needed by the individual for effectively performing his decision-making roles as a consumer, a worker making career choices, and a voter on personal and social economic issues.

(c) The purpose of this section is to insure the development of a comprehensive economic education program for all children in grades 1 through 12 in the public schools of this state. It is the legislative intent that this program shall teach a positive understanding of the American economy, how it functions, and how the individual can function effectively within our economy as a consumer, worker, and voter. While dealing with economic problems and issues, the program shall teach the positive values of a basically private-enterprise economy which underscores the worth and dignity of the individual.

(d) The Central Education Agency shall administer this section pursuant to regulations adopted by the State Board of Education. Support may be provided by the state senior colleges and universities in the preservice preparation of teachers to carry out the provisions of this section. These institutions of higher education are also encouraged to establish formal economic education centers to assist the public schools with curriculum planning, in-service training, and further work in the development of instructional materials.

(e) In administering this section, the State Board of Education and the Central Education Agency shall:

1. develop general guidelines and implement in-service education programs for teachers, administrators, and other personnel;

2. implement provisions of this section in the most expeditious manner possible, commensurate with the availability of teaching personnel;

3. implement local school system evaluation of the effectiveness of the economic education program prescribed by this section;

4. recommend programs and short course seminars for the preparation of economic education teaching personnel; and

5. require all Texas public high schools to give instruction on the essentials and benefits of the American economic system. The effective date for this section shall be September 1, 1978.

(f) The State Board of Education shall adopt regulations to insure the teaching of economic education to all pupils in grades 1 through 12 on a minimum time schedule of grades 10 through 12 by the 1978–79 school year, grades 7 through 9 by the 1979–80 school year, grades 4 through 6 by the 1980–81 school year, and grades 1 through 3 by the 1981–82 school year.

(g) In implementing this section, the State Board of Education shall make every effort to combine funds appropriated for this purpose with funds available from all other appropriate sources, public and private, in order to achieve maximum benefits for improving economic education.

(h) The Central Education Agency, at least 30 days prior to each regular session of the legislature, shall transmit to the members of the State Board of Education, the lieutenant governor, the speaker of the house of representatives, and the chairman of the senate and house election committees, a report as to the status of the economic education program together with any recommendations for further improvement, modification, or additional legislation.

Section 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Texas

STUDENTS AT EXIT-POINT (GRADUATION) SHOULD BE ABLE TO:	**OUR ECONOMY**
Explain the functions of an economic system	**Pgs. 10–15, 38–30**
Name and describe the major types of economic systems (traditional, command, market)	**Pgs. 28–30, 38–40, 305–306**
Identify the major characteristics of the American economic system	**Pgs. 28–30, 38–40, 266–285, 305–310**
Explain how the interaction of supply and demand determines price	**Pgs. 28–33**
Explain the function of profit in the American economic system	**Pgs. 36–38**
Give examples of how the United States government influences the market	**Pgs. 261–285, 294–300**
Identify the three principle forms of business enterprise (e.g., corporation, partnership, individual ownership)	**Pg. 245**
Describe the functions of financial institutions (e.g., banks, savings and loan associations)	**Pgs. 219–221, 228–260**
Explain the functions of competition in a market economy	**Pgs. 14, 33–35, 130–131, 252–253**
Give examples of how government obtains and spends funds	**Pgs. 264, 276–294, 297–300**
Understand that there are many different kinds of markets.	**Pgs. 6–8, Illustrated in case studies**
State the functions of a stock market	**0**
List the functions of a labor union	**0**
Identify factors that contribute to economic growth	**Pgs. 205–212, 297, 318–319**
Describe how the market system solves the basic economic problems of what to produce, how much to produce, and for whom to produce	**Pgs. 10–15, 28–36**
Explain the role of price in the American economy	**Pgs. 30–36, 75, 89–93, 130–131**
Define the terms used to describe payment for the use of human resources, land, capital, and risk taking (wages, rent, interest, profit)	**Pgs. 36–38, 79, 194, 235, 241–242, 246, 323**
Identify and explain various forms of taxes (e.g., sales, property, excise, income)	**Pgs. 264, 285–291, 297**

Utah

MANDATE: The Utah State Legislature mandated in 1975 that: "All public high schools shall give instruction on the essentials and benefits of the Free Enterprise System." (From Senate Bill No. 203) Again in 1977, the legislature in Joint Resolution No. 16 directed the State School Board to "not only offer a course in the Free Enterprise System, but that they shall also become advocates of such system and engage in the necessary activities to ensure that such classes are taught by competent teachers sufficiently familiar with the system to become its advocate thus helping to preserve the Free Enterprise System against those who would destroy it in favor of socialistic experiments which have failed to produce the results in other countries which have been so dramatically demonstrated by the Free Enterprise System in this country." The resolution concludes by encouraging the board to "accelerate the program to the extent that by 1979 a substantial majority of high school graduates will have received this instruction."

State Board requires that each high school must offer "America's Social and Economic Problems" to students who desire to take it.

COMPETENCIES: None. A Course of Study for Social Studies in Utah (1981) provides objectives for economics. A correlation of these objectives with *Our Economy* follows.

Utah

UTAH OBJECTIVES	OUR ECONOMY
The students will identify the roles of government in the free enterprise system from colonial times to the present.	**Chapter 7**
The students will describe the term "welfare state" and describe possible ramifications.	**Pgs. 272–276**
The students will define the vocabulary used in understanding the free enterprise system such as GNP, standard of living, supply and demand, profit, competition, income, consumer sovereignty competition, specialization, money, monetary and fiscal policy.	**Pgs. 320–323**
The students will explain how the free enterprise system affords the producer the freedom of choice with regard to how products are produced.	**Pgs. 28–30**
The students will explain how the freedom of producers to decide how products are produced leads to a production of costs and an income of productivity.	**Pgs. 28–38**
The students will explain the term "Consumer Sovereignty" and describe the process by which consumers decide what is produced in a free enterprise system.	**Pgs. 28–30**
The students will describe the individual's role in the free enterprise system to include employment, consumption, savings, and credit.	**Throughout**
The students will explain the role of labor unions in the free enterprise system.	**0**
The students will explain the functions of the proprietorship, partnership, cooperative, and corporation in the free enterprise system.	**Pg. 245**
The students will discuss the stages of the business cycle, define relevant terms and list practices which the government uses to influence the economy.	**Pgs. 223, 230–232, 271–272, 294–297, 308–310**
The students will describe the various aspects of the production of goods and services in a free enterprise system to include the effects of supply and demand on production, the production cycle, and the production differences between goods and services.	**Pgs. 30–33 Chapters 2, 3, 4 and 5**
The students will describe the significant role banking plays in the free enterprise system.	**Chapter 6**
The students will analyze the differences between the capitalist, socialist, and communist economic systems.	**Pgs. 38–40**
The students will describe the effect of the world economic system on our free enterprise system.	**0**
The students will present evidence and logic which advocate the preservation of the free enterprise system.	**Throughout**

Virginia

MANDATE: The State Board requires one unit of instruction on the free enterprise system within the required course in Virginia and United States government.

COMPETENCIES: By 1981, graduating students shall demonstrate mastery of minimum competence in citizenship. These will include competencies in economics. Specific competencies are to be determined by local school divisions.

Wisconsin

MANDATE: Consumer education—infusion K–12. Legislative mandate 1974, Chapter 118, paragraph 11. "Every public high school shall provide instruction on the rights and responsibilities of the family and consumer including consumer behavior and decision-making, contracts, credit alternatives, budgeting, and family finance, with emphasis on frugality and thrift, savings and investments, insurance, profit and loss, the responsibility and morality of family living, and other societal concerns for instilling qualities of integrity and fiscal competence in young persons."

A significant outcome of the mandate has been a surge in in-service and college credit enrollments related to courses and programs in economic education.

COMPETENCIES: "Objectives, content and scope should be determined locally." The Wisconsin Social Studies Curriculum Study Committee prepared "Descriptors for Economic Understanding" as suggested descriptors to be considered for minimum curriculum emphasis by Wisconsin School Districts.

Wisconsin

SUGGESTED DESCRIPTORS TO BE CONSIDERED FOR MINIMUM CURRICULUM EMPHASIS	OUR ECONOMY
I. *The Basic Economic Problem*	
—Students shall be able to recognize/understand that we have limited resources and relatively unlimited wants.	Pgs. 10–15
—Students should understand that without the scarcity problem, there would be no need to economize.	Pgs. 10–15, 28
—Students should understand that supply and demand is the central problem from which all other economic problems flow.	Pgs. 10–15, 28–33
—Students shall recognize and apply knowledge to maximize personal satisfaction in terms of limited resources.	Pgs. 28–33
—Students should recognize that as a result of supply and demand, decisions and choices must be made.	Pgs. 28–48
—Students should be able to understand the need for choices.	Pgs. 28–48
—Students should be able to understand the effects of personal economic choices.	Pgs. 28–48, 317–318
—Students should understand that because of insufficient income to satisfy all their wants, decisions must be made about the disposition of their income.	Pgs. 28–33
—Students should understand that every society must choose from various alternatives the ways in which they can best use their scarce resources.	Pgs. 1–3, 10–40, 310–317
—Students should be able to understand the basic questions of what to produce, how to produce, and for whom.	Pgs. 10–15
—Students should recognize that each economic system must answer these basic economic questions.	Pgs. 10–15
—Students should recognize that production which earns income, causes consumption.	Pgs. 36–38
—Students shall recognize that one's own (and others) value system help determine what will be produced.	Pgs. 28–30, 40–47
—Students shall recognize that available resources will help determine how production will take place.	Pgs. 15–30
II. *Economic Systems**	
—Students should understand the workings of the free enterprise system.	Throughout
—Students should understand how the private enterprise system differs from other economic systems.	Pgs. 38–40, 302–310
—Students shall understand the employment of limited resources in a private enterprise market economy.	Pgs. 28–40
—Students should be able to compare and contrast how economic decisions are made in other societies.	Pgs. 38–40, 302–310
—Students should understand the role of profit in the private enterprise system.	Pgs. 36–38, 79, 114, 194, 200–201, 244

SUGGESTED DESCRIPTORS TO BE CONSIDERED FOR MINIMUM CURRICULUM EMPHASIS	OUR ECONOMY
III. *Resource Allocation and Income Distribution*	
—Students should understand that a market is a gathering of buyers and sellers to buy or sell goods or services and productive resources.	Pgs. 6–8, 28–30
—Students should be able to understand the forces of supply and demand in the marketplace.	Pgs. 30–33
—Students should understand the interaction of supply and demand in the determination of price.	Pgs. 30–33
—Students should understand that in any free enterprise system, competition is the regulator and the consumer is the determiner of what to purchase.	Pgs. 33–36
—Students should understand that we have several market structures, and imperfections in the marketplace do exist.	Pgs. 269–272
—Students should understand that certain goods and services necessitate government intervention.	Pgs. 34–36, 266–285, 296–297
—Students should understand that imperfections in the marketplace necessitate government intervention.	Pgs. 269–272, 296–297
—Students should understand the idea that specialization results in increased output of goods and services.	Pgs. 5, 71, 167–168, 302–305
—Students should understand the idea that through specialization there can be an increase in their consumption of goods and services and satisfaction of more wants.	Pgs. 5, 71, 167–168, 302–305
—Students should understand the relationship between specialization and the division of labor.	Pgs. 5, 18–19, 71, 167–168, 302–305
—Students should understand the relationships between specialization and interdependence.	Pgs. 18–19, 36–38, 302–303
—Students should understand that income is generated through production and the exchange of goods and services.	Pgs. 18–19, 36–38, 302–303
—Students should understand the principle of comparative advantage.	Pgs. 302–305
IV. *Economic Stability and Growth*	
—Students should understand that as specialization increases, the need for a medium of exchange also increases.	Pgs. 7, 221–222
—Students should understand the major functions of money.	Pgs. 221–222
—Students should understand the major type of money in the United States.	Pgs. 226–228
—Students should understand the advantages of money exchange over barter exchange.	Pgs. 7, 221–226
—Students should understand what constitutes the money supply.	Pgs. 226–228
—Students should understand the role of the Federal Reserve System.	Pgs. 228–232
—Students should understand the effect of the Federal Reserve System on the money supply.	Pgs. 228–232
—Students should understand appropriate action needed either during inflation or during recession.	Pgs. 230–232, 294–295
—Students should understand the limitations of monetary policy.	Pg. 224
—Students should be able to define fiscal policy.	Pgs. 294–295
—Students should understand the effects of government in the changing of taxes and the changing of government expenditures.	Pgs. 294–295, 321
—Students should understand an appropriate fiscal policy to curb an inflationary period.	Pgs. 294–295
—Students should understand an appropriate fiscal policy to be used during a recession.	Pgs. 294–295
—Students should understand the limitations of fiscal policy decisions.	Pgs. 284–285
—Students should be able to identify appropriate combinations of fiscal and monetary policy.	Pgs. 230–232, 294–295
—Students should understand that appropriate fiscal and monetary policy can lead to economic growth.	Pgs. 230–232, 294–295
—Students should understand that economic growth leads to increased productive capacity.	Pgs. 205–212, 308–310
—Students should understand the negative effects of economic growth.	Pgs. 164–166, 270–271
—Students should understand the concepts of savings and investment risk and related decisions.	Pgs. 16, 22–27, 79, 168, 213, 266–267, 314, 318

SUGGESTED DESCRIPTORS TO BE CONSIDERED FOR MINIMUM CURRICULUM EMPHASIS	OUR ECONOMY
—Students should understand the concept of productivities in the economy.	**Throughout case studies**
—Students should understand that productivity leads to economic growth.	**Throughout case studies**
—Students should understand the problem of comparative advantage as to nations, as well as to individuals.	**Pgs. 304–305**
—Students should understand the advantage of free trade.	**0**
—Students should understand the modification of free trade by government interventon and regulation.	**Pg. 268**
V. *Statistical and Visual Concepts*	
—Students should understand the importance of, as well as be able to deal with, visual presentations of economics data.	**Numerous examples throughout**
—Students should be able to interpret simple ratios, index numbers, tables, graphs, and charts which portray economics data.	**Numerous activities throughout**
VI. *Evaluating Economic Actions and Policies*	
—Students should be able to recognize and state (verbalize) an economic goal.	**Pgs. 306–310, 313–318**
—Students should understand that in our democracy economic goals are a significant function in the political process.	**Chapter 7**
—Students should perceive the relationship between economic freedom and an orderly government.	**Chapter 7**
—Students should understand that economic choices usually imply a trade off among desirable goals and that ends and means are important considerations in economic decision making.	**Pgs. 28–30**
—Students should understand the meaning of efficiency, productivity and stability especially in the workings of the private enterprise system and in comparison with other economic systems.	**Pgs. 306–310**
—Students should understand the importance of citizen participation at all levels of government, particularly as related to contact with elected representatives of the people.	**0**
—Students should understand that concepts of equity, justice, opportunity, fair play, and security all play a part in economic decision making as policies are formed.	**Pgs. 266–276**
—Students should understand the essential role and function of the individual consumer and his influence capability upon actions and policies.	**Pgs. 28–38**
—Students should understand that without orderly government *and* freedom of choice a private enterprise market economy could not function.	**Throughout**

*Learners should understand that some sort of economic arrangement exists in all political systems and in all societies. Learners should further understand the key importance of freedom, individual worth, and orderly government perceived to be the core of the American experience. That the democratic process and the private enterprise economic system have worked well is evidence which exists in fact.

However, unnecessary advocacy or propagandizing about the so-called free enterprise system is inappropriate. The American enterprise system can stand up to a careful and rational examination of the facts.

ECONOMIC EDUCATION, as perceived by the DESCRIPTOR writing group, is intended to deal with improving student understanding of economic systems and the likely application of economic decisions in everyday living . . . and learned in the course and flow of social studies education for all grades K through 12.

BEST COPY AVAILABLE

Wyoming

MANDATE: State Board 1980. Minimum requirements for a high school diploma—"Demonstrated ability to read, write and compute with proficiency, and an understanding of the process and structure of democratic governance and our free enterprise system."

COMPETENCIES: Local school districts are required to establish their own standards for proficiency and program requirements for graduation.

(A copy of the mandate calling for minimal competencies for high school graduation follows.)

Minimal Competencies For High School Graduation

All schools in Wyoming will provide within their programs a process for identifying students who need assistance in the basic skills required for effective adult citizenship and will provide assistance to those students in order to assure them every opportunity to demonstrate those proficiencies. Minimum state requirements for the issuing of a public high school diploma include:

1. Successful completion of a program including credits or units identified in the Wyoming School Accreditation Standards equal to a regular student course load extending through the senior year of high school.
2. Sufficient attendance in courses and programs to gain fully the educational and social benefits of the secondary program.
3. Demonstrated ability to read, write, and compute with proficiency, and an understanding of the process and structure of democraic governance and *our free enterprise system;* or completion of remedial programs designed to meet individual needs in these areas.

Required standards for graduation are the responsibility of the local school district working in conjunction with the State Department of Education. Local school districts are required to establish their own standards of proficiency and program requirements for graduation, and encouraged to go beyond those minimum standards established by the State Board of Education.

2) That proficiency levels and remedial programs in the areas required by the policy be developed in each local district.
3) That school districts ensure that their competency programs be continuous, ongoing, and diagnostic in nature throughout a child's education.
4) That school districts submit to the State Department of Education, as part of the 1981 Annual Accreditation Report, a description of the district's proficiency program, including implementation dates. Thereafter, a progress report is to be submitted annually.
5) That reporting by school districts be enforced through the accreditation process.
6) That regional conferences be held to explain the State Board of Education policy, and that additional workshops, consultant services, and models be provided by the State Department of Education to districts that request such assistance.
7) That the State Department of Education include in its financial proposals to the Wyoming State Legislature provisions which provide for adequate funding to support district plans.

SUMMARY OF FINDINGS

This project involved a complete survey of the various states to determine the existence and content of state mandates and competencies as they relate to economic literacy. The findings of this research are as follows:

1. Twenty-four states have a mandate requiring economics instruction of some kind.
2. Mandates for economics instruction originate from either state legislatures or state boards of education.
3. Eighteen states have a legislative mandate, and seven states have a state board mandate requiring economics instruction. Alabama has both types.
4. Mandates may be classified as a free enterprise, an economic education, or a consumer education mandate. Four states use a combination of these types.
5. Twelve states have a free enterprise mandate, ten an economic education mandate, and seven a consumer education mandate. Alabama and Georgia have both a free enterprise and economic education mandate. Delaware, Florida and Tennessee have a combined free enterprise and consumer education mandate.
6. Seven states (Alabama, Arizona, Georgia, Louisiana, Oregon, South Carolina and Tennessee) have a separate course in economics for graduation from high school. The course usually is one-half unit and given in grade eleven or twelve.
7. Seven states have competencies for economic literacy, and two states are in the process of developing such competencies.
8. Mandates for economics instruction tend to be the result of the cooperative efforts of the business community, state boards of education, and state legislatures.
9. "Push factors" toward additional mandates include the current interest in economics as expressed in the media, the activity of business groups lobbying for mandates in economics education, and the competency based education movement.
10. "Pull factors" working against additional mandates include a historical opposition to state mandates of any kind, strong local autonomy by school districts in many states, opposition from other social science disciplines, and the lack of funds to implement and monitor a mandate.
11. Mandates for economic instruction are most common in the south and least prevalent in the northeast and midwest.
12. Legislative mandates vary from specific pieces of legislation designed to require economic instruction to statements contained within other legislation.
13. Within legislative mandates the free enterprise system typically is defined as "an economic system characterized by private and corporate ownership of capital goods, by investments that are determined by private decision rather than by state control, and by prices, production, and the distribution of goods that are determined in a free manner."
14. Typically, economics education mandates call for a positive understanding of the American economic system and how the individual can function effectively within our economy as a consumer, worker and voter.
15. Only Florida, North Carolina and Texas currently have state-wide competency statements for economic literacy.
16. An analysis of thirteen state frameworks, courses of study, and competency statements indicated thirty-one economic concepts most frequently presented. (See Table 4)
17. *Our Economy: How It Works* adequately covered thirty of the thirty-one economic concepts presented. The exception was labor organizations.
18. Economic concepts that are presented in one or more state curriculum documents which are not included in *Our Economy* are: gross national product, consumer price index, oligopoly, poverty, discriminatory labor practices, nature of a global economy, impulse vs planned buying, consumer budgeting, advantages and disadvantages of credit, warranties and contracts, insurance, consumer rights and responsibilities, capitalism and communism (using these terms), threats to free enterprise, and functions of the stock market.
19. Through its textual content, case studies, activities, and illustrations, *Our Economy* meets the economics education mandates which call for a positive understanding of the American economic system and how the individual can function effectively within our economy as a consumer, worker and voter.
20. Through its textual content, case studies, activities, and illustrations, *Our Economy* presents the free enterprise system in a manner that is prescribed by free enterprise mandates.

ADDENDUM

Since completion of this research two states, Maryland and Nevada, have passed mandates requiring instruction in economics. This brings the total to 26 states that now mandate economics instruction in some form.

Maryland

On 1/27/82, the Maryland State Board of Education approved the Maryland Social Studies Bylaw. The Bylaw mandates goals and subgoals for instruction in the state's elementary and secondary schools.

Instruction in economics is mandated by Goal 2 and its subgoals. Goal 2 reads as follows: "To help students understand the historical development and current status of the economic principles, institutions, and processes needed to be effective citizens, consumers, and workers in American society.

By September 1, 1985, each County Superintendent of Schools shall have certified to the State Superintendent of Schools that the instructional program meets these general requirements.

Nevada

In spring, 1981, the Nevada Legislature enacted Assembly Bill 395 which requires that the economics of the American free enterprise system be taught in all the public high schools in that state.

The legislation prescribed lessons to be taught but leaves it to local option as to how the instruction will be provided.

ADDENDUM

Since completion of the research, three states, West Virginia, Maryland and Nevada, have passed mandates requiring instruction in economics. This brings the total to 27 states that now mandate economics instruction in some form.

Maryland

On 1/27/82, the Maryland State Board of Education approved the Maryland Social Studies Bylaw. The Bylaw mandates goals and subgoals for instruction in the state's elementary and secondary schools.

Instruction in economics is mandated by Goal 2 and its subgoals. Goal 2 reads as follows: "To help students understand the historical development and current status of the economic principles, institutions, and processes needed to be effective citizens, consumers, and workers in American society.

West Virginia

The West Virginia Board of Education at its January 1982 meeting mandated the teaching of one semester of economics in either grades eleven or twelve. This mandate is for a free-standing, separate course in economics.

Nevada

In spring, 1981, the Nevada Legislature enacted Assembly Bill 395 which requires that the economics of the American free enterprise system be taught in all the public high schools in that state.

The legislation prescribes lessons to be taught but leaves it to local option as to how the instruction will be provided.